Serial acquirers

Q4 2025: The grind continues

Redeye provides its Q4 2025 sector update for Swedish serial acquirers. We discuss recent news flow for the companies we cover, other interesting firms, and how the capital allocation of Redeye SA index constituents has developed in 2025.

Serial acquirer news flow in Q4 2025

We believe the Redeye SA index's median organic growth of c1% y/y this quarter was decent, given strengthening comparables and a cautious economic environment. Median acquired growth of c7% y/y remained stable, though we expect a certain increase in 2026e as recently pressured actors resume their M&A agendas. FX headwinds continued to hit both top and bottom lines, which will likely persist into late 2026e. Still, we judge that many companies in our universe feel a broader recovery might be just around the corner. A prolonged war in Iran can, of course, alter this view in the coming months, as it would likely lead to higher inflation and tighter monetary policies.

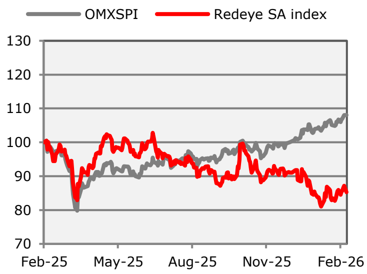
Capital allocation: Overall similar KPI's as last year

While M&A volume shrank to a 7-year low in 2025, most other KPIs remained relatively flat y/y. More specifically, aggregate EBITA and free cash flow to equity (FCFE) were up 4% y/y in 2025. Cash conversion, defined as FCFE/net income, remained at 116% as our SA index continues to release working capital (WC). Leverage was also flat y/y, with total net debt/EBITDA at c2.2x, suggesting the current M&A pace of c7% y/y is sustainable in the long term, but it could increase if cyclical players see a broader economic recovery in the coming years. ROIC and ROE were also in line with last year at c11% and c14%, respectively; however, some way below highs in the last decade. We continue to believe that a broader market recovery will likely lead to an uptick in both margins and profitability, as recent cost initiatives will likely deliver full benefits and our covered companies will benefit from operational scalability.

Valuation: Better R/R after recent slump

This year has been rather interesting from a valuation standpoint, as the Redeye SA index is down 15% LTM, while the OMXSPI is up 8%. The Redeye SA index's median LTM EV/EBITDA has declined from c16x in early March 2024 to c14x currently, below its five-year median (c16x). Its median LTM P/E decreased from c40-42x to c32-33x over that period (five-year median c38x). On a forward-looking basis, the niche acquirers and roll-ups in our index now trade at median EV/EBITA multiples of c17-15x and c10-8x on 2026e-2027e estimates. Niche acquirers in our index trade at median P/E multiples of c27-25x for 2026e-2027e, while roll-ups trade at median multiples of c14-11x. Note that most underlying estimates do not include future M&A projections. Many of the highest-quality niche acquirers continue to trade at 2026e EV/EBITAs of c20-25x. While this is not cheap by any stretch of the imagination, we argue that R/R is increasingly becoming more favorable as companies continue the day-to-day grind and grow cash flows to shareholders.

SERIAL ACQUIRERS VERSUS OMXSPI



Note: 28 February 2025 = 100 for both indexes

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Serial Acquirers Conference 2026

Redeye's fifth Serial Acquirers Conference takes place in Stockholm on 12-13 March 2026.

The event has become one of the main meeting places for serial acquirers and qualified investors from around the world.

See the schedule and info about how to attend in the appendix on page 97.

Table of contents

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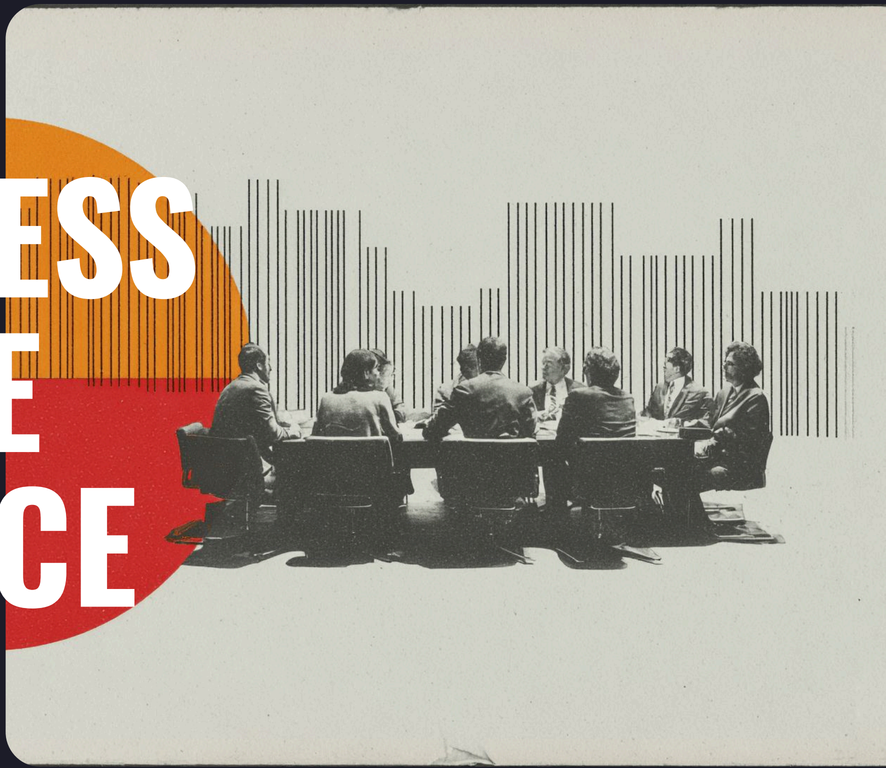

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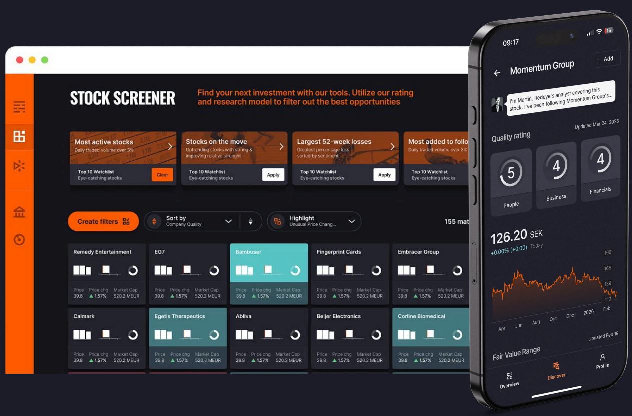

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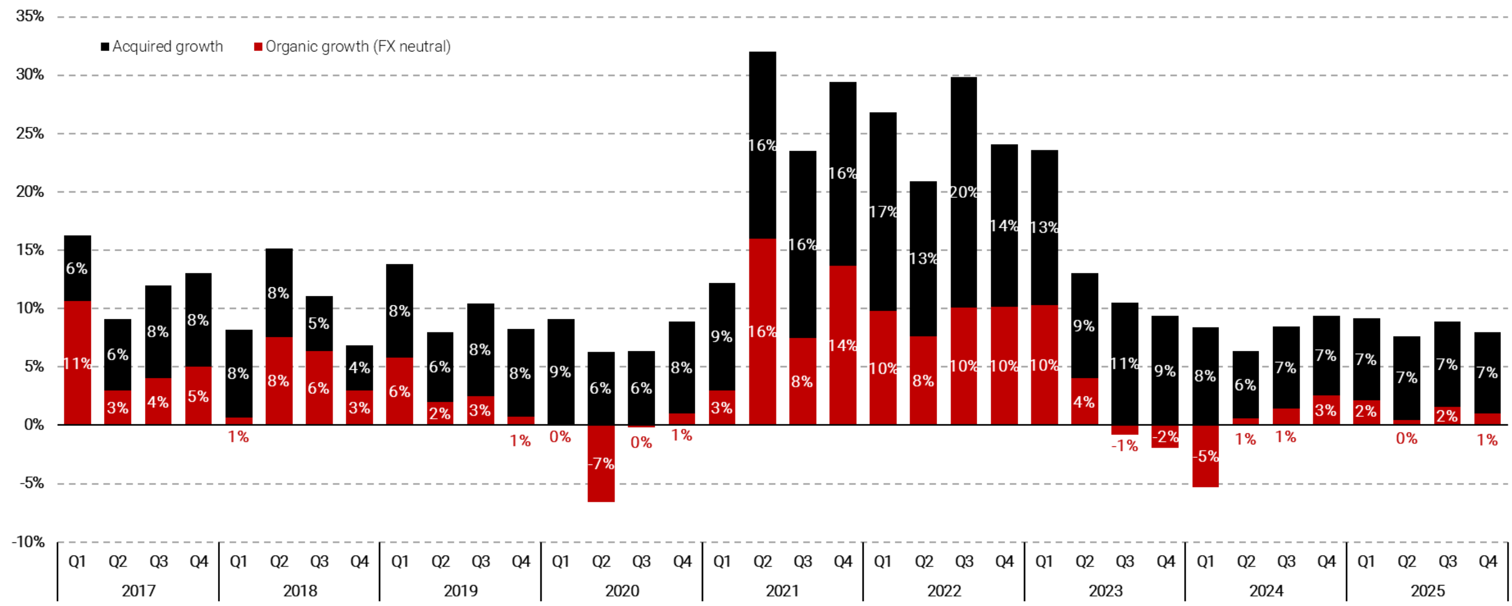
Serial acquirer news flow in Q4 2025

We believe that median organic growth of c1% in Q4 2025 was an acceptable outcome, given somewhat tougher comparables and a cautious economic environment. FX headwinds continued to hit both top and bottom lines, which will likely persist into late 2026e. Still, we judge that many companies in our universe feel a broader recovery might be just around the corner. A prolonged war in Iran can, of course, alter this view in the coming months, as it would likely lead to higher inflation and tighter monetary policies. That is far from certain, though, and broadly speaking, we expect median organic growth to remain in the low single digits in the coming quarters, with a gradual improvement throughout 2026e.

We judge that median acquired growth of c7% remained at a decent and sustainable level (balance sheets are not expanding). As in previous quarters, many of the smaller, sector-focused acquirers have struggled to keep pace with the larger, more established players. As their net leverage ratios decrease, we see decent chances for their M&A activity increasing in 2026e. In contrast, other actors, like Lagercrantz, Lifco, and MedCap, use their strong balance sheets to power ahead, posting strong acquired growth during Q4 2025. Aggregate EBITA margins strengthened somewhat during 2025 to 14.9% (14.6%), indicating that the companies are disciplined with costs as they grind through these challenging times.

While the timing of potential M&A deals exhibits some natural variability, we judge that recent years' results have shown which actors have built resilient groups with strong balance sheets, preserving their ability to act even in more challenging times. As actors who have been more cautious recently return to normalised acquired growth levels, we expect the median of our index to settle at c10% over time. We have included tables in the appendix on page 98 showing quarterly FX-neutral organic growth and acquired growth for index constituents.

Redeye SA index: Median quarterly net sales growth in calendar Q1 2017-Q4 2025 (%)



Note: Excluding Vitec in most quarters as it has historically not disclosed organic and acquired growth per quarter; acquired growth net of divestments; organic growth excluding FX effects if disclosed; number of data points varies over time depending on listing and disclosure (Q1 2017: 8 data points and Q4 2025: 19 data points)

Source: Company filings (financial figures), Redeye Research (chart structuring)

Recent insider purchases/sales and executive transitions

Year-to-date, Lundbergföretagen, has purchased c1m additional shares in Indutrade, corresponding to cSEK223m according to Holdings, increasing their position in the company of c1%. Additionally, we have seen Lifco's CEO, Per Waldemarson, increase his stake in the company straight after Q4 earnings by 50k shares, a c6% increase on his previous holding. The purchase comes at a time when Lifco's share has struggled a bit; in such times, we always like to see management showing the way by putting their own money on the line. We have also seen Volati's previous board member and largest owner, Karl Perlhagen, buy an additional 150k shares in the company, resulting in a small increase in his position. He resigned from Volati's board in November, as he is the subject of an ongoing preliminary investigation regarding the tax handling of a share transaction. The investigation concerns his private tax return and has no connection to Volati.

We have also seen Byggmästaren Anders J Ahlström increase their stake in Green Landscaping by c3% and Vitec's co-founder and previous CEO Lars Stenlund, and Bergman & Beving's CEO Magnus Söderlind make small additions to their holdings so far in 2026.

Redeye SA index: Year-to-date insider stock purchases (SEK1m or higher)

	Company	Role	Shares	Value (SEKm)	Shareholding after transactions	Value holding after transactions (SEKm)
Lundbergföretagen AB	Indutrade	Chairperson	494 615	113,1	98 000 000	22 990,8
Lundbergföretagen AB	Indutrade	Chairperson	414 505	90,9	97 505 385	22 874,8
Lundbergföretagen AB	Indutrade	Chairperson	90 880	19,3	97 090 880	22 777,5
Per Waldemarson	Lifco	CEO	50 000	15,0	928 500	295,8
Karl Perlhagen	Volati	Other position	150 000	12,4	31 830 815	2 702,4
Byggmästare Anders J Ahlström Holding AB	Green Landscaping Group	Board member	200 000	7,8	10 210 123	416,6
Byggmästare Anders J Ahlström Holding AB	Green Landscaping Group	Board member	100 000	4,4	10 010 123	408,4
Lars Stenlund	Vitec Software Group	Chairperson	8 000	2,0	1 364 911	324,3
Magnus Söderlind	Bergman & Beving	CEO	3 600	1,0	333 793	93,0

Note: Cumulative value for all transactions; Transaction value from Holdings, might diverge from actual acquisition cost, especially if transactions occurred due to, e.g., option/warrant exercises

Source: Holdings (financial figures), Redeye Research (table structuring)

There has not been any major insider selling so far in 2026, which is good, as we would view it as a red flag given the weak sentiment in the space since the summer of 2025. Insider selling is always more complex than insider buying, but when it occurs on a depressed share, we think it's a potentially bad signal.

There have been several executive transitions since our last update, more specifically, Relais' has changed CEO to Christian Johansson Gebauer, following Arni Ekholm's retirement. That change also sparked a new organisational structure, promoting three new business area managers internally. Similarly, Boreo has also made changes in its top management with the CEO, Kari Nerg, and CFO, Jesse Petäjä, leaving to pursue new opportunities. Tuomas Kahri will replace Kari as CEO shortly, but Boreo will look internally to fill Jesse's role in the meantime.

There has also been a CFO change at Lagercrantz, with Karin Mellegård Djärf replacing Peter Thysell, and, like Relais, Bergman & Beving have adopted a new group structure, appointing two new business area managers: one internally and one a re-hire to the group. Addnode and Sdiptech have appointed a new business area manager to vacant roles, and OEM has appointed Henrik Forsberg Schoultz as deputy CEO, and maybe current CEO Jörgen Zahlin's natural successor down the line?

Redeye SA index: LTM executive transitions

Date	Event	Name	Position	Company	Comment
2025-05-06	Resignation	Martin Aronsson	CFO	Volati	Left at the end of October 2025 for new position outside Volati
2025-05-16	Transition	Bengt Lejdström	CEO/CFO	Sdiptech	Transitioned from CEO to CFO
2025-05-16	Transition	Anders Mattson	EVP/CEO	Sdiptech	Transitioned from EVP to CEO
2025-06-02	Resignation	Oscar Fredell	Head of Industrial Equipment	Bergman & Beving	Left to become CEO of Beijer Alma
2025-06-02	Appointment	Oscar Fredell	CEO	Beijer Alma	Assumed his position in early November 2025
2025-06-04	Appointment	Daniel Unge	Head of Supply Chain & Transportation	Sdiptech	Recruited to succeed Anders Mattson as BA head
2025-06-09	Discharged	Robin Boheman	CEO	Instalco	Seemingly fired, left in late July 2025 after 11 years (four as CEO)
2025-06-09	Appointment	Per Sjöstrand	Interim CEO	Instalco	Interim CEO until Instalco recruits a successor
Jun 2025	Retirement (?)	Urban Malm	Business Director	OEM	Seemingly stepped down/retired
Sep 2025	Resignation	Peter Baaske	Head of Electrify	Lagercrantz	Resigned to become CEO of PrimoTech Group
Sep 2025	Appointment	Daniel Andersson	Head of Electrify	Lagercrantz	Successor of Peter Baaske
2025-09-25	Retirement	Hans Andersén	BA Manager Energy	Addtech	Retirement after 19 years in the group
2025-09-25	Appointment	Marcus Johansson	BA Manager Energy	Addtech	Successor of Hans Andersén
2025-09-25	Appointment	Åsa Skarbrandt	BA Manager Safety	Addtech	Appointed to lead new business area
2025-09-30	Retirement	Per-Olow Jansson	Senior VP Process, Energy & Water	Indutrade	Retirement after 30 years in the group
2025-09-30	Appointment	Per Lidström	Senior VP Process, Energy & Water	Indutrade	Successor of Per-Olow Jansson
2025-10-28	Appointment	Charlotta Nyberg	CFO	Volati	Successor to Martin Aronsson
2025-10-21	Retirement	Arni Ekholm	CEO	Relais	Retirement after 10 years as CEO in accordence with agreement
2025-10-21	Appointment	Christian Johansson Gebauer	CEO	Relais	Recently head of Construction & Services at Ratos
2025-10-28	Resignation	Kari Nerg	CEO	Boreo	Left to pursue new opportunities outside the company
2025-10-28	Appointment	Tuomas Kahri	CEO	Boreo	Recently CEO of Nordic Healthcare Group, prior COO of Terveystalo
2025-12-01	Resignation	Jesse Petäjä	CFO	Boreo	Left to pursue new opportunities outside the company
2025-12-02	Resignation	Tove Christiansson	Head of Hjälpmedel	MedCap	Left to pursue new opportunities outside the company
2025-12-02	Appointment	Fredrik Mattsson	Head of Medicinteknik	MedCap	Previous experience includes Vitrolife, Bure and Gambro
2025-12-08	Appointment	Karin Mellegård Djärf	CFO	Lagercrantz	Recently CFO at ByggPartner Gruppen, CFO at Knightec before that
2025-12-08	Resignation	Peter Thysell	CFO	Lagercrantz	Left to pursue new opportunities outside the company
2025-12-17	Appointment	Jens Kollserud	President of Design Management	Addnode	Will continue as CEO of Symetri in addition to this role
2026-01-08	Appointment	Nico van der Merwe	Head of Energy & Electrification	Sdiptech	Previous experience includes Signify and Schneider Electric
2026-01-13	Appointment	Jan Lundmark	Head of PPE & Utilities	Bergman & Beving	Internal recruit with 20 years at B&B, previously CEO for Guide Gloves
2026-01-13	Appointment	Johan Cederstrand	Head of Machinery & Equipment	Bergman & Beving	Re-hired after a short spell outside of the company
2026-02-09	Resignation	Fredrik Mattsson	Head of Medicinteknik	MedCap	Just 2 months in, probably fired
2026-02-10	Appointment	Henrik Forsberg Schoultz	Deputy CEO	OEM	Previous experience include CEO of CellMark
2026-02-13	Appointment	Jan Popov	Head of Commercial Vehicle Services	Relais	New group structure, internal recruit
2026-02-13	Appointment	Johan Carlos	Head of Products and Solutions	Relais	New group structure, internal recruit
2026-02-13	Appointment	Juan Garcia	Head of Technical Wholesale	Relais	New group structure, internal recruit

Note: Date refers to date of announcement; the list may not be exhaustive

Source: Company filings (leadership transitions), Redeye Research (table structuring)

At the time of writing, we don't know where Boreo's previous management ends up, but executives leaving to start their own serial acquirers or head relatively new ones have been a recurring theme. Sdiptech's former Head of M&A, Steven Gilsdorf, and Head of Resource Efficiency, Fredrik Navjord, constitute additional examples. They started EviGrow, a serial acquirer of VMS companies. We judge these events underline the importance of fostering a deeply committed executive team. Indeed, given the potential equity value of building a successful serial acquirer from the outset, it is challenging to compensate high-performing executives commensurately. They could obviously realise substantial upside from owning stock in their employer; however, potential upside for more mature, listed, and highly valued serial acquirers is more range-bound than that of earlier-stage examples. Thus, serial acquirers must take great care to build a loyal team of executives who view the company as their life's work, rather than just a pay cheque.

As previously announced, Oscar Fredell left his Head of Industrial Equipment role at Bergman & Beving to become Beijer Alma's CEO from early November 2025. Instalco seemingly fired its former CEO, Robin Boheman, during the summer, as discussed in our Q2 2025 update.

Below, we present some deals and news we found most notable during Q3 2025. We begin with Vitec Software Group, Lagercrantz, Lifco, Sdiptech, Addnode, MedCap, Indutrade, OEM, Momentum Group, Relais Group, and Boreo, which Redeye covers, followed by notable news flow around other serial acquirers that we consider interesting.

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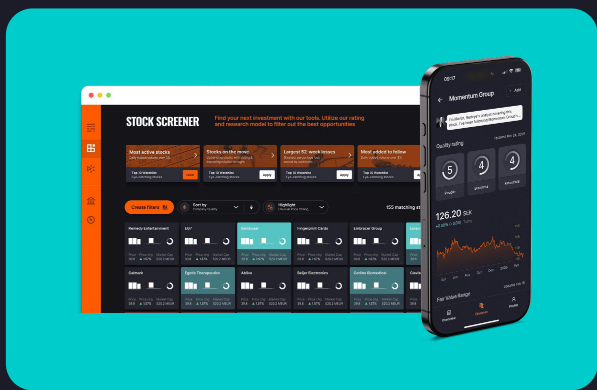

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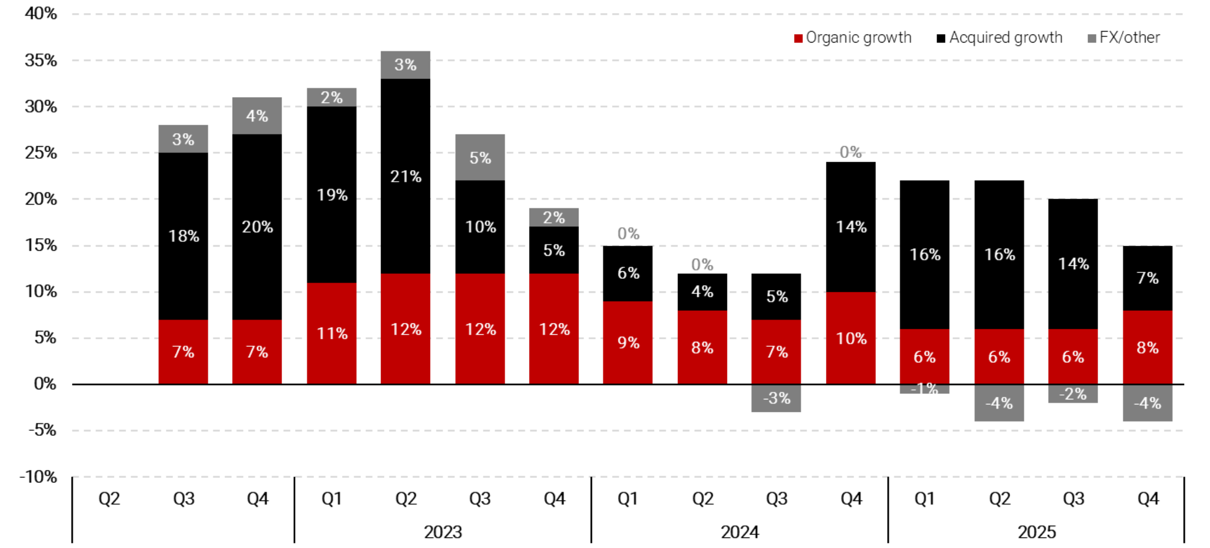
Vitec Q4 2025: Solid operations and M&A as usual in AI-driven market volatility

Vitec's Q4 had net sales of SEK983m, representing 6% y/y growth and beating our SEK930m forecast by 6%. Crucially, subscription revenue, the primary proxy for underlying growth, grew by 8% organically, accelerating from the 6% trend seen earlier in 2025. Cash EBIT of SEK227m beat our SEK198m estimate by 15%, although down y/y against a tough 2024 comparable.

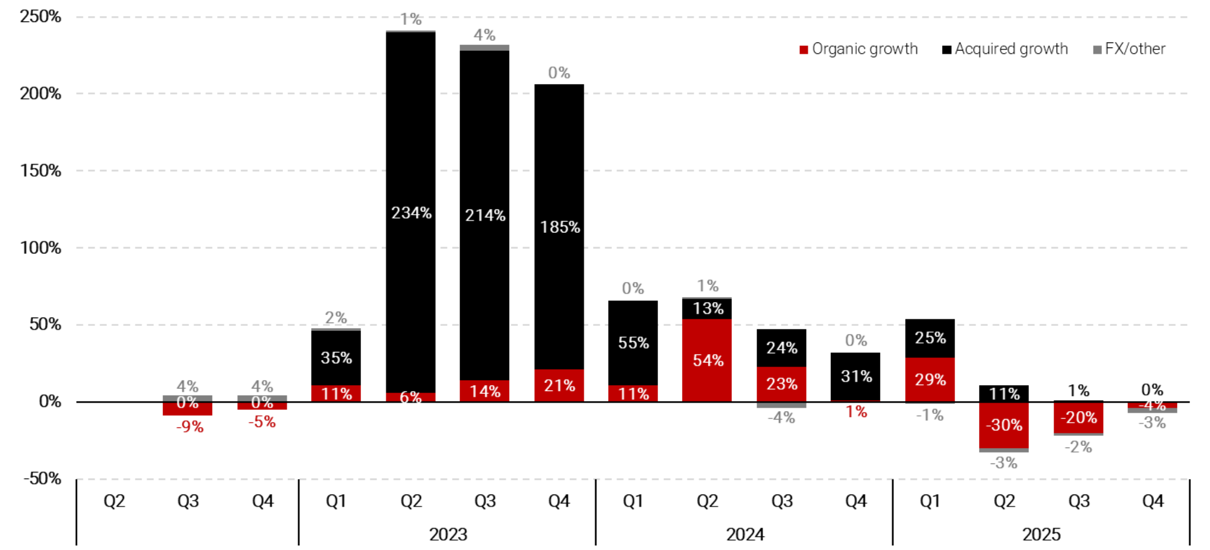
Vitec is focused on developing industry-specific AI solutions, leveraging its deep sector expertise and proprietary data while navigating a conservative customer base. Management currently sees no material AI-related risks to operations and believes the company is well-positioned to leverage the technology to drive operational efficiency. Although the public equity market is fearful about AI disruption, this sentiment has not yet softened valuations or reduced competition in the vertical software M&A landscape. To address the long-term risk of "seat compression" driven by automation, Vitec is actively shifting to value-based pricing models to monetise the utility it provides clients. Overall, the company's deep integration into customer processes makes it one of the most resilient Nordic SaaS providers against AI-driven disruption in our view.

Vitec Software Group: Subscription-based recurring revenue growth (%)



Source: Vitec Software Group (historical figures), Redeye Research (chart structuring)

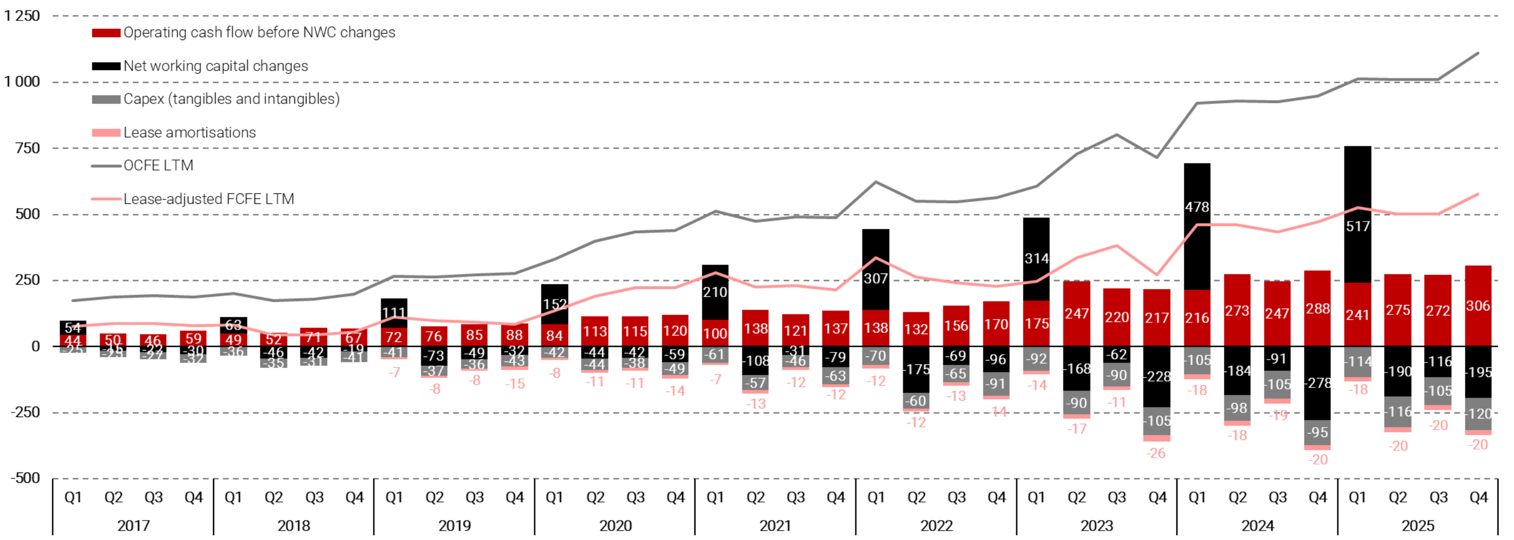
Vitec Software Group: Transaction-based recurring revenue growth (%)



Source: Vitec Software Group (historical figures), Redeye Research (chart structuring)

Operating cash flow increased from cSEK10m in Q4 2024 to cSEK111m in Q4 2025, mainly deriving from more favourable working capital changes and slightly higher cash earnings. LTM lease-adjusted FCFE has risen from cSEK472m in Q4 2024 to cSEK577m in Q4 2025.

Vitec Software Group: Operating cash flow to equity (OCFE) and free cash flow to equity (FCFE) in Q1 2017-Q4 2025 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: Vitec company filings (financial figures), Redeye Research (graph structuring)

Following the Q4 beat and recent acquisitions, we raise our 2026-2028 Cash EBIT forecasts by 6%. Our New Base Case is SEK465 (457). Despite a 15% share price increase on the reporting day, the share price is down 16% YTD. Vitec trades at 12.9x EBITDA-CAPEX, a discount to its historical premium and the broader SaaS peer group. While bearish sentiment regarding AI disruption remains a short-term overhang, we believe the risk/reward is compelling given the company's resilient financial performance and its consistent ability to deploy cash flow into further acquisitions.

Vitec: Continues to find interesting acquisitions

Since our Q3 update, Vitec has made two acquisitions, Dutch Autonet and Swedish Infometric, adding about SEK190m in total sales and contributing about 5% to sales growth.

Autonet provides mission-critical software designed for the automotive dismantling sector and has annual sales of SEK49m. The company has operations in the Netherlands and Belgium.

Infometric offers a complete system that combines hardware and software to collect, analyse, and bill energy and water consumption, targeting the housing and real estate industries. The company has annual sales of SEK138m and sells third-party hardware alongside its software, resulting in a margin of about 16%, which is lower than Vitec's average.

The R12m contribution from M&A on sales is about 9%, slightly higher than our assumed future M&A growth contribution of about 7% per year.

Vitec: Acquisitions in the last four quarters

Company	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
Infometric	2026-02-02	138	3,8%
Autonet	2026-01-29	48	1,3%
NMG	2025-10-06	100	2,7%
Intergrip	2025-02-07	29	0,8%
Total		314	8,7%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Vitec's LTM sales in the quarter when an acquisition occurred*

Source: Vitec company filings (financial figures), Redeye Research (estimates, table structuring)

Infometric has grown net sales from cSEK36m in 2014 to cSEK122m in 2024, representing a CAGR of c13%. EBIT margin expanded from c1% to c12% over that period, resulting in an EBIT CAGR of c41%. Median ROIC and ROCE of c23% and c30% in 2014-2024 are decent. However, the company's profitable growth has resulted in a marked improvement over time, with ROIC and ROCE recently reaching c107% and c143%, respectively. Similarly, the company's EBIT/NWC of c146% in 2024 represents a considerable improvement versus a median of c60% over the last decade. Overall, we judge Infometric to be an interesting addition to the group.

Infometric: Key financials for 2014-2024 (SEKm)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	CAGR 14-24	Mean	Median
Net sales	**35,5**	**35,4**	**34,2**	**48,0**	**51,5**	**54,5**	**57,4**	**67,0**	**88,2**	**131,9**	**121,7**	**13,1%**		
Gross profit	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a		
EBIT	**0,5**	**2,1**	**0,1**	**5,8**	**5,6**	**2,7**	**2,0**	**5,3**	**7,7**	**17,6**	**14,7**	**40,5%**		
NOPAT	0,4	1,6	0,1	4,3	4,2	2,0	1,5	4,0	5,7	13,2	11,0			
Gross margin (%)	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*		n/a	n/a
EBIT margin (%)	***1%***	***6%***	***0%***	***12%***	***11%***	***5%***	***3%***	***8%***	***9%***	***13%***	***12%***		7%	8%
FCFF/EBIT (%)	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*			
ROIC (%)	***4%***	***20%***	***1%***	***53%***	***34%***	***23%***	***8%***	***21%***	***40%***	***104%***	***107%***		38%	23%
ROCE (%)	*5%*	*26%*	*1%*	*70%*	*45%*	*30%*	*11%*	*28%*	*53%*	*138%*	*143%*		50%	30%
EBIT/NWC (%)	*9%*	*85%*	*3%*	*157%*	*60%*	*37%*	*43%*	*55%*	*96%*	*187%*	*146%*		80%	60%
Intangibles	4,6	5,2	4,9	4,1	2,7	1,4	13,0	9,6	6,4	3,3	0,3			
Tangibles	0,1	0,3	0,2	0,5	0,3	0,3	0,1	0,0	0,0	0,0	0,0			
Inventories	2,9	2,0	2,8	2,9	3,6	4,0	3,9	4,4	7,1	5,1	10,7			
Receivables	4,9	2,9	4,0	3,8	9,5	6,7	4,7	10,9	7,7	11,3	7,2			
Payables	-2,2	-2,4	-2,2	-3,1	-3,8	-3,4	-4,1	-5,5	-6,8	-7,1	-7,9			
Invested capital	10,3	8,1	9,7	8,2	12,3	9,0	17,6	19,3	14,3	12,7	10,3	-9,7%		

Note: ROCE = EBIT divided by invested capital, ROIC = NOPAT divided by invested capital

Source: Valu8 (historical figures), Redeye Research (calculation of metrics, table structuring)

We believe net interest-bearing debt/EBITDA of c1.9x and c2.4x, including contingent considerations at the end of Q4 2025, leaves some room for further M&A. Notably, we judge that recurring revenue-based businesses like Vitec can bear c2.5-3.0x net debt/EBITDA, though M&A headroom becomes somewhat constrained at that point.

Read more about Vitec's Q4 2025 report in our latest research update.

Vitec: Historical key financials and M&A

SEKm	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net sales	313	360	389	372	492	618	675	855	1 017	1 156	1 313	1 571	1 978	2 778	3 334	3 633
Recurring revenues	174	211	231	262	373	481	519	610	744	908	1 080	1 324	1 631	2 346	2 878	3 204
Net sales growth (%)	*116,9%*	*14,7%*	*8,2%*	*-4,5%*	*32,4%*	*25,7%*	*9,2%*	*26,6%*	*18,9%*	*13,7%*	*13,5%*	*19,7%*	*25,9%*	*40,4%*	*20,0%*	*9,0%*
Recurring revenues growth (%)	*23,9%*	*21,4%*	*9,3%*	*13,7%*	*42,1%*	*28,9%*	*7,9%*	*17,6%*	*21,9%*	*22,0%*	*19,1%*	*22,6%*	*23,2%*	*43,8%*	*22,7%*	*11,3%*
Organic growth net sales (%)	*11%*	*-2%*	*1%*	*nd*	*2%*	*2%*	*-5%*	*1%*	*nd*	*nd*	*-2%*	*7%*	*6%*	*8%*	*9%*	*0%*
Acquired net sales growth (%)	*108%*	*17%*	*7%*	*nd*	*30%*	*24%*	*14%*	*25%*	*nd*	*nd*	*17%*	*15%*	*17%*	*29%*	*11%*	*12%*
FX/other (%)	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*-1%*	*-2%*	*3%*	*4%*	*0%*	*-2%*
Pro-forma org. growth recurring revenues (%)	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*6,0%*	*5,6%*	*4,2%*	*7,1%*	*11,0%*	*13,7%*	*10,8%*	*0,3%*
EBITA*	30	47	56	54	92	131	133	171	212	247	345	440	582	876	1 002	959
EBITA margin (%)	*9,5%*	*13,1%*	*14,5%*	*14,5%*	*18,8%*	*21,2%*	*19,7%*	*20,0%*	*20,8%*	*21,4%*	*26,3%*	*28,0%*	*29,4%*	*31,5%*	*30,0%*	*26,4%*
Net income attributable to parent	14	25	31	30	49	78	67	79	97	102	161	207	245	339	410	435
Net margin (%)	*4,5%*	*6,9%*	*8,0%*	*8,1%*	*10,0%*	*12,6%*	*9,9%*	*9,3%*	*9,5%*	*8,8%*	*12,2%*	*13,2%*	*12,4%*	*12,2%*	*12,3%*	*12,0%*
Share count, year-end (m)	21,3	21,8	25,7	26,5	29,4	29,4	29,4	29,8	32,3	32,6	32,8	35,0	37,3	37,5	39,8	39,9
EBITA/share	1,40	2,15	2,19	2,03	3,14	4,46	4,52	5,73	6,55	7,59	10,52	12,55	15,58	23,34	25,14	24,04
EPS	0,66	1,13	1,21	1,14	1,67	2,66	2,27	2,66	3,00	3,14	4,90	5,90	6,56	9,04	10,29	10,91
Number of acquisitions	1	1	1	1	2	4	3	1	4	5	5	5	5	6	7	2
Previous year sales**	73	13	50	47	145	109	102	145	108	158	161	219	355	450	409	127
Previous sales/acq	73	13	50	47	73	27	34	145	27	32	32	44	71	75	58	64
Acquired sales***	89	16	60	55	120	107	114	178	122	157	163	224	433	471	470	163
Acquired EBT***	10	4	11	5	11	10	17	16	23	22	31	88	154	156	143	59
EBT margin (%)	*10,9%*	*24,8%*	*18,2%*	*9,4%*	*9,1%*	*9,5%*	*14,9%*	*9,1%*	*18,6%*	*13,9%*	*19,0%*	*39,5%*	*35,6%*	*33,0%*	*30,5%*	*35,9%*
Acquired sales/acq	89	16	60	55	60	27	38	178	31	31	33	45	87	78	67	82
Acquired EBT/acq	10	4	11	5	5	3	6	16	6	4	6	18	31	26	20	29
Net cash deployed on acq	39	5	46	17	149	86	152	89	134	219	167	1 260	1 144	1 286	1 526	717
CCs for previous acq	0	0	8	17	0	5	15	2	24	11	6	70	86	247	265	349
Purchase consideration****	39	8	39	48	101	81	141	107	110	240	184	1 215	1 205	1 076	1 306	368
Contingent consideration	0	8	18	45	0	10	24	0	11	48	74	44	417	659	408	222
Total consideration	39	16	57	93	101	90	165	107	121	288	257	1 259	1 621	1 735	1 714	590
Contingent/total (%)	0%	50%	32%	49%	0%	11%	14%	0%	9%	17%	29%	3%	26%	38%	24%	38%
Sales multiple initial***** (x)	0,4	0,5	0,6	0,9	0,8	0,8	1,2	0,6	0,9	1,5	1,1	5,4	2,8	2,3	2,8	2,3
EBT multiple initial***** (x)	4,0	2,0	3,5	9,2	9,3	7,9	8,3	6,6	4,8	11,0	5,9	13,8	7,8	6,9	9,1	6,3
Sales multiple total***** (x)	0,4	1,0	1,0	1,7	0,8	0,8	1,4	0,6	1,0	1,8	1,6	5,6	3,7	3,7	3,6	3,6
EBT multiple total***** (x)	4,0	4,0	5,2	18,0	9,3	8,9	9,6	6,6	5,3	13,2	8,3	14,3	10,5	11,2	12,0	10,1

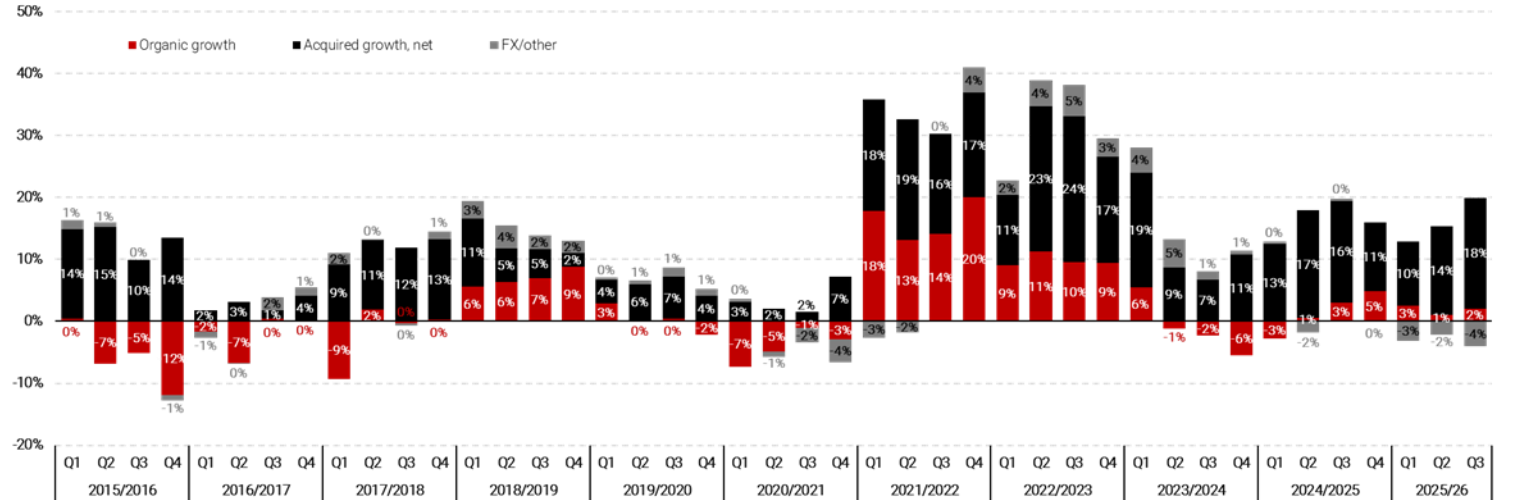
*Note: *estimates for 2010-2012 as Vitec has not disclosed EBITA for these years; remaining years as reported by Vitec without adjustments, **reported local currency figures converted to SEK using average exchange rate in acquisition year, ***full-year pro forma figures disclosed for acquired companies in acquisition year; 2010-2015 net sales and EBT figures include estimates due to insufficient disclosure; 2024-2025 figures represent EBITA instead of EBT, Q1-Q4 2025 figures annualised ****net of acquired cash; partial payments with convertibles included in initial purchase consideration, *****based on full-year figures in year of acquisition, EV/EBITA for 2024-2025*

Source: Vitec company filings (financial figures), Redeye Research (table structuring)

Lagercrantz Q3 2025/2026: Demand is picking up

Lagercrantz grew net revenue from cSEK2,462m in fiscal Q3 2024/2025 to cSEK2,854m in Q3 2025/2026 (split fiscal year ending March), representing growth of c16% y/y (c2% organic, c18% acquired, c-4% FX). Q2 sales beat our projection by c3%, deriving from slightly higher organic growth and higher M&A contribution, mainly in the TecSec division. Order intake grew organically by c7% y/y, boding well for growth in the coming quarters. The CEO letter notes strengthening general demand, with most subsidiaries seemingly experiencing gradual improvements and stable market conditions despite geopolitical uncertainty. Still, organic growth comparables will become tougher, leading us to expect overall organic growth to remain in the low single digits.

Lagercrantz: Quarterly net sales growth in Q1 2015/2016-Q3 2025/2026 (%)

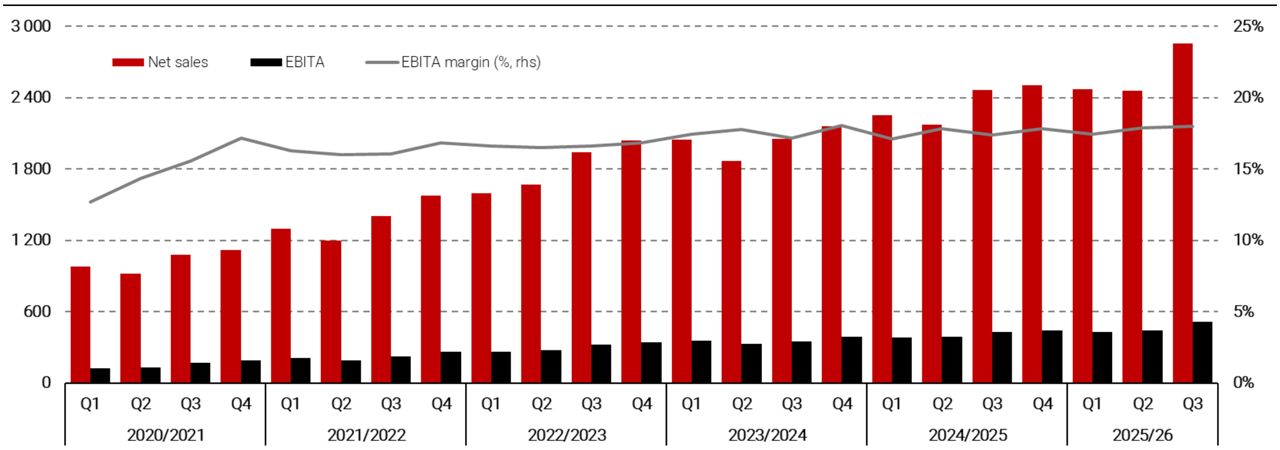


Note: Acquired growth net of divestments

Source: Lagercrantz company filings (financial figures), Redeye Research (chart structuring)

EBITA rose from cSEK428m in Q3 2024/2025 to cSEK513m in Q3 2025/2026, i.e., EBITA margin strengthened y/y to c18% (c17%). EBITA beat our projection by 5%, fuelled by the beat in net sales and generally higher profitability than we anticipated. Electrify and Control continue to see margin uplift from both organic growth and M&A, while TecSec and Niche Products saw y/y declines in profitability.

Lagercrantz: Net sales and EBITA development in Q1 2020/2021-Q3 2025/2026 (SEKm)

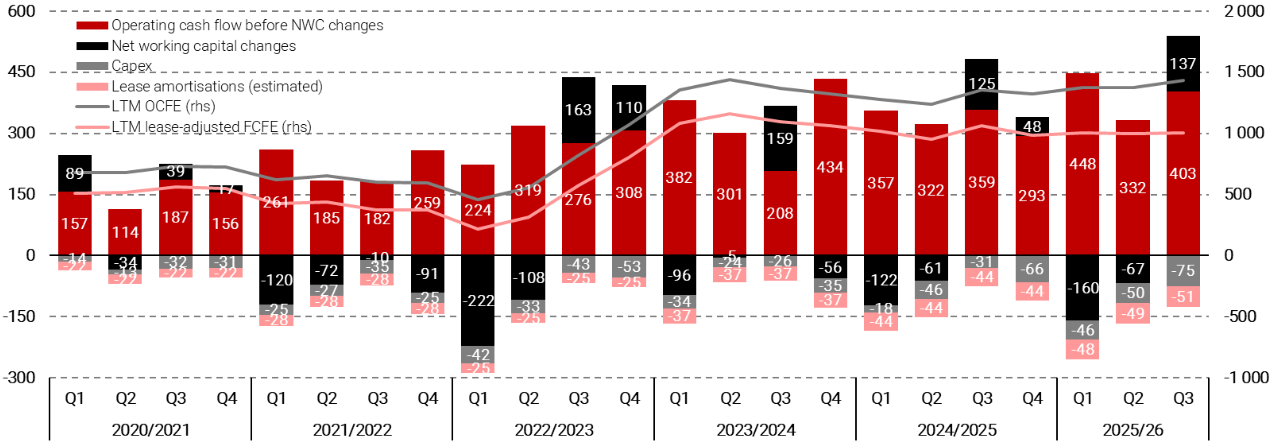


Source: Lagercrantz company filings (financial figures), Redeye Research (chart structuring)

Operating cash flow nudged up from cSEK484m in Q3 2024/2025 to cSEK540m in Q3 2025/2026, because of the higher earnings and more favourable working capital changes.

Lease-adjusted free cash flow to equity (FCFE) LTM decreased slightly y/y to cSEK1.0bn this quarter, mainly due to higher maintenance capex.

Lagercrantz: OCFE and FCFE in Q1 2020/2021-Q2 2025/2026 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: Lagercrantz company filings (financial figures), Redeye Research (graph structuring)

We nudged up our 2025/2026e net sales projection by c1% to cSEK10.6bn after the report. We also raised our EBITA estimate to cSEK1.9bn, representing a 2% uplift. Positive estimate revisions and higher profitability assumptions led to an increase in our base case from SEK229 to SEK256 per share. After an initial spike, Lagercrantz's stock trended downward following fiscal Q2 results and bottomed at cSEK193 a week before Q3 numbers. Q3 figures elicited a strong positive reaction to cSEK222, which has since moderated somewhat.

Lagercrantz's B share now trades at c27-23x EV/EBITA and c39-33x P/E on our 2025/2026e-2026/2027e projections. We believe its primary driver will be earnings expansion as we advance, with Mr Market endowing the stock with a premium for sporting one of the best track records among Swedish serial acquirers.

Lagercrantz: Strong M&A execution during 2025

Lagercrantz has completed 12 acquisitions during 2025 with annual sales of cSEK1.4bn, corresponding to an estimated growth contribution of c15%. However, it has not announced any deals since our Q3 update. Management noted that the 18% M&A contribution it had in Q3 is a temporary high; a more sensible long-term expectation is in the 10-15% range.

Lagercrantz's total net debt/EBITDA (excluding IFRS 16 but including contingent considerations and put/call options) has nudged up from c2.2x at the end of 2024/2025 to c2.4x in Q3 2025/2026. We judge leverage should moderate as recent M&A further consolidates into LTM figures and expect Lagercrantz to decrease its M&A pace somewhat in the coming year, despite a strong M&A pipeline.

Lagercrantz: Acquisitions in the last four quarters

Company	Division	Country	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
I Holland	TecSec	GB	2025-11-25	350	3,4%
Enskede Hydraul	Niche Products	SE	2025-11-01	56	0,5%
Sit Right	Niche Products	SE	2025-11-01	85	0,8%
AB Qvintus	Control	SE	2025-08-01	25	0,3%
Friggeråkers Verkstäder	International	SE	2025-07-01	110	1,1%
Epoke	International	DK	2025-06-01	360	3,7%
Orax	Control	SE	2025-06-01	50	0,5%
MT Miljöteknik	Niche Products	DK	2025-04-01	37	0,4%
He-Man	Control	UK	2025-03-01	70	0,7%
Plast & Plåt Vägmärken	Electrify	SE	2025-02-01	60	0,6%
Track Analysis Systems	Control	UK	2025-02-01	15	0,2%
Van Leeuwen Test Group	Niche Products	NL/UK	2025-02-01	225	2,4%
Total				1 443	14,7%

*Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Lagercrantz's LTM sales in the quarter when an acquisition occurred

Source: Lagercrantz company filings (financial figures), Redeye Research (estimates, table structuring)

Read more about our take on Lagercrantz's Q3 report in our latest research update.

Lagercrantz: Historical key financials and M&A

SEKm	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Q1-Q3 25/26
Net sales	1 983	1 463	1 568	1 518	1 608	1 974	2 172	2 138	1 720	2 029	2 265	2 328	2 546	2 846	3 057	3 096	3 410	3 932	4 180	4 091	5 482	7 246	8 129	9 389	7 784
Net sales growth (%)	-24,1%	-26,2%	7,2%	-3,2%	5,9%	22,8%	10,0%	-1,6%	-19,6%	18,0%	11,6%	2,8%	9,4%	11,8%	7,4%	1,3%	10,1%	15,3%	6,3%	-2,1%	34,0%	32,2%	12,2%	15,5%	13,0%
Organic growth (%)	nd	nd	nd	nd	5%	4%	4%	nd	nd	13%	7%	-3%	3%	5%	1%	-2%	-2%	7%	0%	-4%	16%	10%	-1%	2%	2%
Acquired growth (%)	nd	nd	nd	nd	nd	19%	6%	2%	nd	12%	6%	8%	6%	4%	7%	3%	11%	6%	5%	3%	18%	18%	11%	14%	14%
FX effects/other (%)	nd	nd	nd	nd	nd	nd	nd	nd	nd	-7%	-2%	-3%	0%	3%	0%	1%	1%	3%	1%	-2%	0%	4%	2%	0%	-3%
EBITA*	81	28	31	9	58	103	136	111	74	154	194	223	256	294	355	409	436	519	565	616	895	1 205	1 431	1 646	1 387
EBITA margin (%)	4,1%	1,9%	2,0%	0,6%	3,6%	5,2%	6,3%	5,2%	4,3%	7,6%	8,5%	9,6%	10,1%	10,3%	11,6%	13,2%	12,8%	13,2%	13,5%	15,1%	16,3%	16,6%	17,6%	17,5%	17,8%
Net income	54	9	14	5	39	65	91	68	42	102	126	159	177	203	241	274	286	342	366	388	572	758	877	1 019	837

SEKm	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	LTM
*EBITA/working capital** (%)*	15,5%	7,0%	8,7%	2,9%	20,0%	31,4%	37,4%	30,4%	22,8%	48,9%	52,0%	56,9%	60,2%	63,0%	65,6%	65,5%	60,3%	63,0%	64,4%	67,1%	78,6%	78,1%	76,9%	79,5%	80,2%
Share count, year-end (m)	250,8	250,8	233,2	233,2	219,7	219,7	219,7	208,6	208,6	208,6	208,6	208,6	208,6	208,6	208,6	208,6	208,6	208,6	208,6	208,6	208,6	209,2	209,2	209,2	206,5
EBITA/share (SEK)	0,32	0,11	0,13	0,04	0,26	0,47	0,62	0,53	0,35	0,74	0,93	1,07	1,23	1,41	1,70	1,96	2,09	2,49	2,71	2,95	4,29	5,76	6,84	7,87	8,88
EPS	0,22	0,04	0,06	0,02	0,18	0,30	0,41	0,33	0,20	0,49	0,60	0,76	0,85	0,97	1,16	1,31	1,37	1,64	1,75	1,86	2,74	3,62	4,19	4,87	5,53
Net debt/EBITDA (x)	-0,4	-0,4	0,0	-0,2	-0,1	1,3	0,6	0,6	0,4	1,4	0,8	1,2	1,2	1,1	1,5	1,4	2,3	1,7	1,8	1,7	1,8	1,6	1,7	1,8	2,1
Net debt/EBITDA excl IFRS 16 (x)	-0,4	-0,4	0,0	-0,2	-0,1	1,3	0,6	0,6	0,4	1,4	0,8	1,2	1,2	1,1	1,5	1,4	2,3	1,7	1,8	1,6	1,7	1,5	1,6	1,7	2,0
Total net debt/EBITDA (x)	na	na	na	na	na	1,3	0,6	0,6	0,4	1,5	1,0	1,5	1,5	1,4	2,0	1,8	2,7	2,1	2,1	1,8	2,0	1,8	2,1	2,2	2,4
Interest coverage ratio (x)	5	2	4	1	14	9	9	7	6	12	11	13	16	18	20	22	14	15	13	12	15	8	8	9	9
Number of acquisitions* **	0	1	1	1	1	3	1	2	0	5	2	4	3	5	3	6	6	1	6	7	7	8	9	7	12
Assessed annual sales****	na	130	35	48	75	333	46	77	na	281	78	245	148	160	370	226	409	70	319	320	654	1 020	1 175	825	1 437
Assessed annual sales/acq	na	130	35	48	75	111	46	38	na	56	39	61	49	32	123	38	68	70	53	46	93	128	131	118	120
Acquired sales*****	na	nd	nd	nd	71	365	55	72	na	302	78	246	133	164	377	233	435	66	228	276	761	1 068	1 193	841	1 437
Acquired EBITA*****	na	nd	nd	nd	nd	36	7	5	na	48	14	41	24	42	97	39	81	21	60	41	136	169	204	143	233
EBITA margin (%)	na	na	na	na	na	9,9%	12,7%	6,9%	na	15,9%	17,9%	16,7%	18,0%	25,6%	25,7%	16,7%	18,6%	31,8%	26,3%	14,9%	17,9%	15,8%	17,1%	17,0%	16,2%
Acquired sales/acq	na	na	na	na	71	122	55	36	na	60	39	62	44	33	126	39	73	66	38	39	109	134	133	120	120
Acquired EBITA/acq	na	na	na	na	na	12	7	3	na	10	7	10	8	8	32	7	14	21	10	6	19	21	23	20	19
Net cash deployed on acq	0	9	33	-1	28	160	27	57	2	278	48	199	130	128	288	208	519	142	260	325	653	846	1 175	1 131	1 485
CCs for previous acq	nd	nd	2	nd	nd	nd	nd	nd	nd	nd	nd	4	2	20	7	52	34	19	40	45	29	37	70	17	141
Purchase consideration******	na	11	33	7	27	177	19	56	na	277	45	195	128	115	279	167	435	135	267	261	724	933	1 098	1 120	1 300
Contingent consideration*******	na	2	8	nd	nd	nd	nd	nd	na	23	17	85	52	55	125	80	104	0	44	71	73	114	230	216	258
Total consideration	na	13	41	na	na	na	na	na	na	300	62	280	180	170	404	247	539	135	311	332	797	1 047	1 328	1 336	1 558
Contingent/total (%)	na	15%	20%	na	na	na	na	na	na	8%	27%	30%	29%	32%	31%	32%	19%	0%	14%	21%	9%	11%	17%	16%	17%
Sales multiple initial******** (x)	na	na	na	na	0,4	0,5	0,3	0,8	na	0,9	0,6	0,8	1,0	0,7	0,7	0,7	1,0	2,0	1,2	0,9	1,0	0,9	0,9	1,3	0,9
EBITA multiple initial****** (x)**	na	na	na	na	na	4,9	2,7	11,2	na	5,8	3,2	4,8	5,3	2,7	2,9	4,3	5,4	6,4	4,5	6,4	5,3	5,5	5,4	7,8	5,6
Sales multiple total******** (x)	na	na	na	na	na	na	na	na	na	1,0	0,8	1,1	1,4	1,0	1,1	1,1	1,2	2,0	1,4	1,2	1,0	1,0	1,1	1,6	1,1
EBITA multiple total****** (x)**	na	na	na	na	na	na	na	na	na	6,3	4,4	6,8	7,5	4,0	4,2	6,3	6,7	6,4	5,2	8,1	5,9	6,2	6,5	9,3	6,7

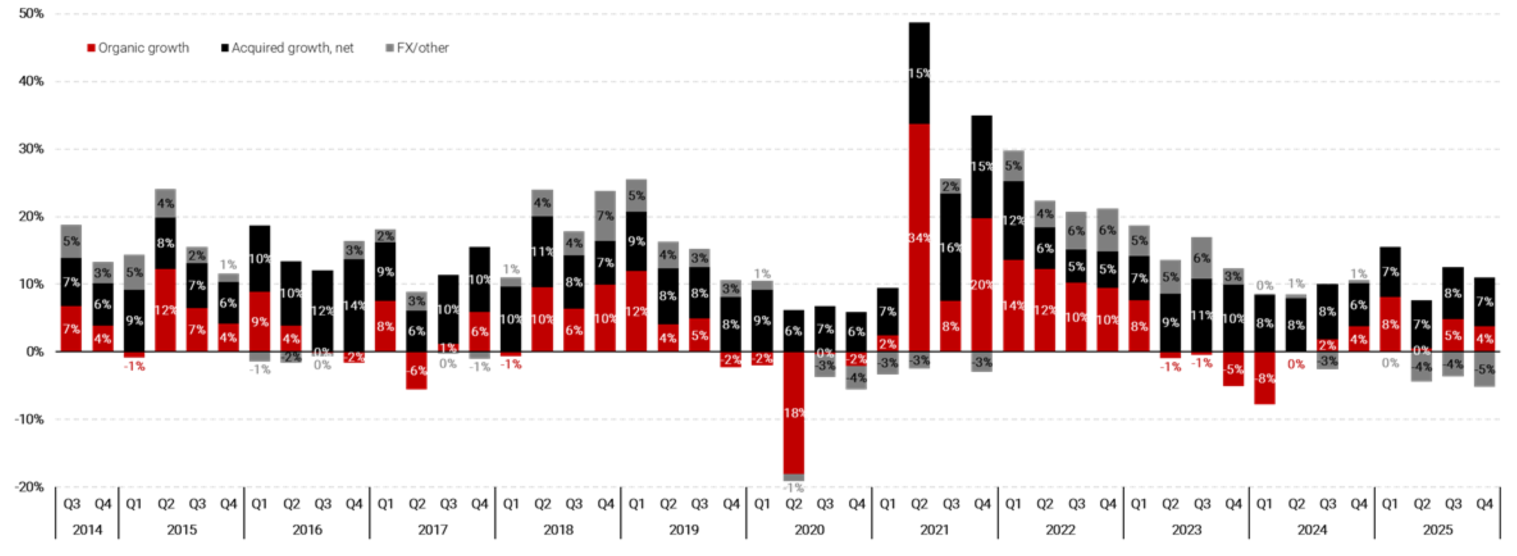
*Note: Per share items are split-adjusted *estimated EBITA in 2011/2012 and prior, **calculated using average working capital and reported EBITA including one-off items, ***disclosed major acquisitions, ****reported local currency figures converted to SEK using average exchange rate in year of acquisition if the company did not disclose SEK figure, *****full-year pro forma figures disclosed for acquired companies in the year of acquisition; LTM figures include Redeye estimates, ******net of acquired cash, *******maximum estimated contingent consideration, ********based on full-year figures in year of acquisition*

Source: Lagercrantz company filings (financial figures), Redeye Research (estimates, table structuring)

Lifco Q4 2025: Steady as she goes

Net sales grew from cSEK7.1bn in Q4 2024 to cSEK7.5bn in Q4 2025, representing growth of c6% y/y (c4% organic, c7% acquired, c-5% FX), missing our projection by 3%. We were encouraged by System Solutions' alignment with our projections after recent struggles, but the weakness in Dental and the somewhat slower recovery in Demolition & Tools were a bit unexpected. As organic growth comparables strengthen in the coming quarters, we expect low-single-digit organic expansion but see good potential for Lifco to improve in Q2'26, given its sluggish Q2 in 20205.

Lifco: Quarterly net sales growth in Q3 2014-Q4 2025 (%)



Note: Acquired growth net of divestments

Source: Lifco company filings (financial figures), Redeye Research (chart structuring)

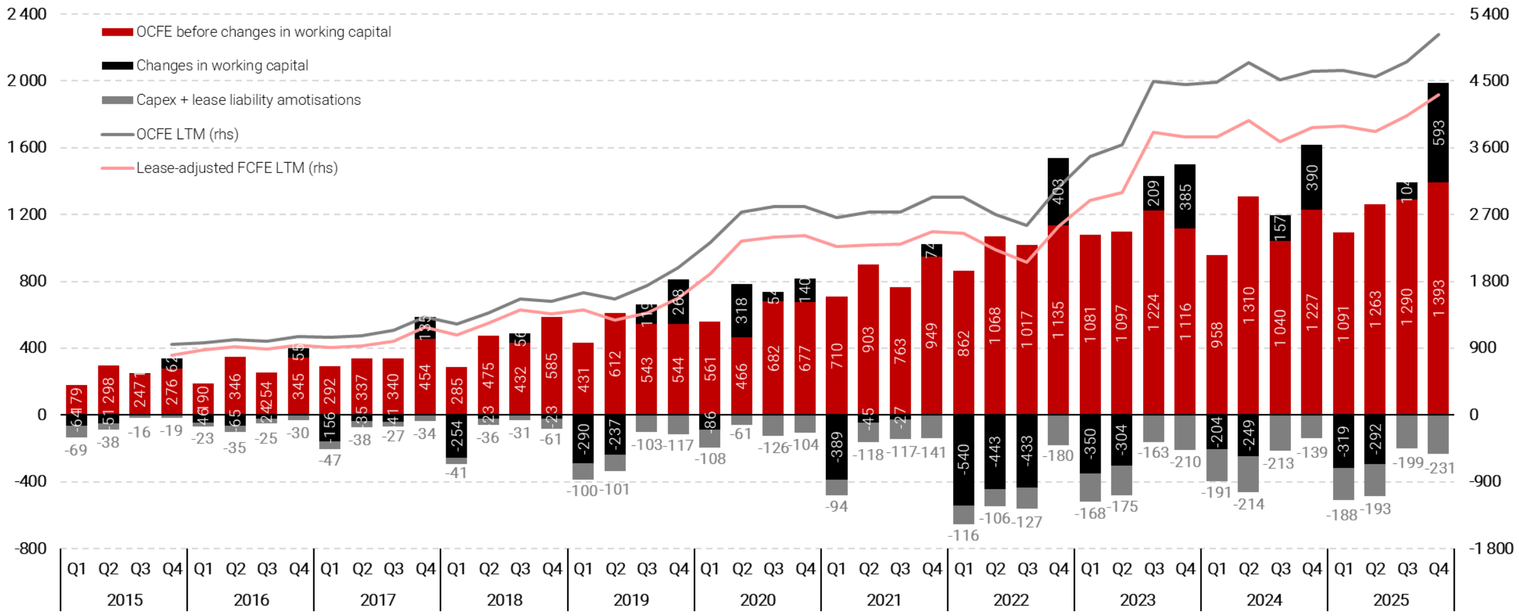
EBITA increased from cSEK1.6bn in Q4 2024 to cSEK1.7bn in Q3 2025, missing our pencilled-in figure by 5%. EBITA margin remained roughly flat y/y at c23%. Dental expanded EBITA margins by c1% y/y to c20%, Systems Solutions EBITA margin of c25% was roughly flat y/y, and Demolition & Tools saw EBITA margin contract c1% y/y. However, it is worth noting that Demolition & Tools typically experiences quarterly fluctuations in profitability.

Operating cash flow increased from cSEK1,617m in Q4 2024 to cSEK1,986m in Q4 2025, supported by higher earnings and a strong release in working capital. LTM lease-adjusted free cash flow to equity (FCFE) rose from cSEK3.9bn in Q4 2024 to cSEK4.3bn in Q4 2025, mainly deriving from higher earnings.

We decreased our 2026e net sales and EBITA estimates to cSEK31.7bn and cSEK7.5bn after the report, representing downgrades of c3% and c4%. Lifco's share reacted positively to Q3 figures, topping out at cSEK383, then trended down to cSEK309 prior to the Q4 report. Q4 figures were roughly in line with expectations, and after an initial slump, the share has since recovered and now trades above its pre-report level.

Minor negative estimate revisions led our base case to decrease from SEK361 to SEK354 per share, i.e., somewhat above the stock's current price of cSEK318. Lifco's B share now trades at an EV/EBITA of c27-21x and P/E of c44-34x on our 2025-2026e projections. Given relatively rich multiples, we consider earnings growth as the share's primary driver as we advance.

Lifco: Operating cash flow to equity (OCFE) and free cash flow to equity (FCFE) in Q1 2015-Q4 2025 (SEKm)



Note: OCFE LTM = LTM operating cash flow to equity, not lease-adjusted; lease-adjusted FCFE LTM = LTM OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations; lease liability amortisations in Q1 2019-Q3 2020 represent Redeye estimates due to insufficient disclosure

Source: Lifco (financial figures), Redeye Research (chart structuring)

Lifco: Continues to find acquisitions at a steady pace

Lifco has announced four acquisitions since our Q3 2025 update. Specifically, it acquired HEGUtechnik (cEUR10m) and Karl Kaps (cEUR10m) in Germany, and DB Orthodontics (cGBP9m) and Ethoss Regeneration (cGBP5m) in the UK. Lifco has consolidated 18 acquisitions over the last four quarters, corresponding to annual sales of cSEK2.3bn and an estimated growth contribution of c8%.

Lifco: Acquisitions in the last four quarters

Company	Segment	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
Arnold Deppeler	Dental	Mar 2025	39	0,1%
Heavy Duty Parts	Systems Solutions	Mar 2025	152	0,6%
Fraga Dental	Dental	Apr 2025	28	0,1%
Italgears	Systems Solutions	Apr 2025	153	0,6%
R&T Stainless	Systems Solutions	Apr 2025	170	0,6%
Gestenco International	Dental	Apr 2025	19	0,1%
Klemko Group	Systems Solutions	Jun 2025	212	0,8%
HeDoN Electronic Developments	Systems Solutions	Jul 2025	82	0,3%
Toppy	Systems Solutions	Jul 2025	189	0,7%
UR FOG	Systems Solutions	Jul 2025	87	0,3%
Stöffl Rudolf	Systems Solutions	Aug 2025	162	0,6%
MaxiMover	Systems Solutions	Aug 2025	508	1,8%
Citodent Imaging	Dental	Sep 2025	13	0,0%
Nobil Bio Ricerche	Dental	Oct 2025	46	0,2%
HEGUtechnik	Systems Solutions	Nov 2025	114	0,4%
DB Orthodontics	Dental	Dec 2025	116	0,4%
Karl Kaps	Dental	Q1 2026e	107	0,4%
Ethoss Regeneration	Dental	Q1 2026e	66	0,2%
Total			**2 263**	**8,2%**

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Lifco's LTM sales in the quarter when an acquisition occurred*

Source: Lifco company filings (financial figures), Redeye Research (estimates, table structuring)

HEGUtechnik, headquartered in Oberabach, Germany, is a niche contract manufacturer of electronic components for automation applications in harsh industrial environments. The company has annual sales of cEUR10m according to Lifco's press release, though we could not identify any public financials for this acquiree. It has joined the business area System Solutions.

DB Orthodontics, headquartered in Silsden, UK, produces and sells orthodontic material to dental professionals in the UK and globally. The company has annual sales of cGBP9m according to Lifco's press release, though we could not identify any public financials for this acquiree. It has joined the business area Dental.

Karl Kaps, headquartered in Asslar, Germany, is a niche manufacturer of medical and dental microscopes. Lifco cites its annual sales as cEUR10m, however, we could not find any public financials for this acquiree. It is expected to join the business area Dental in Q1'26e.

Ethoss Regeneration, headquartered in Silsden, UK, sells regenerative bone graft material for dentistry and oral surgery worldwide. The company has annual sales of cGBP5m according to Lifco's press release, though we could not identify any public financials for this acquiree. It is expected to join the business area Dental in Q1'26e.

Lifco's financial M&A capacity remains solid, with organisational M&A capacity representing the bottleneck for acquired growth. Lifco's net debt/EBITDA and net interest-bearing debt/EBITDA decreased slightly y/y from c1.8x and c1.2x in Q4 2024 to c1.7x and c1.1x this quarter. We judge that Lifco's decrease in net leverage despite substantial funds deployed in M&A (cSEK3.4bn) demonstrates that its strong cash flows provide the primary funding for its M&A agenda.

Lifco has expanded its organisational M&A capacity by c10% annually over the last five to seven years, and CEO Per Waldemarson once again reiterated that the balance sheet remains very strong. We believe this continuous evolution bodes well for the group's ability to handle an increasing number of deals and subsidiaries over time; however, it is becoming increasingly challenging to find margin-accretive deals, as the bar has been raised quite high.

Read more about Lifco's Q4 2025 report in our latest research update.

Lifco: Annual key financials 2006–2025

SEKm	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net sales	**2 629**	**3 660**	**4 901**	**4 146**	**4 591**	**5 707**	**6 184**	**6 030**	**6 802**	**7 901**	**8 987**	**10 030**	**11 956**	**13 845**	**13 782**	**17 480**	**21 552**	**24 454**	**26 137**	**28 251**
Net sales growth (%)	*16,9%*	*39,2%*	*33,9%*	*-15,4%*	*10,7%*	*24,3%*	*8,4%*	*-2,5%*	*12,8%*	*16,2%*	*13,7%*	*11,6%*	*19,2%*	*15,8%*	*-0,5%*	*26,8%*	*23,3%*	*13,5%*	*6,9%*	*8,1%*
Organic growth (%)	*15,6%*	*14,4%*	*7,4%*	*-19,8%*	*15,7%*	*7,9%*	*-1,8%*	*-1,4%*	*4,4%*	*5,7%*	*2,5%*	*2,1%*	*6,4%*	*4,2%*	*-5,8%*	*15,3%*	*11,3%*	*0,0%*	*-0,5%*	*4,2%*
Acquired growth (%)	*1,5%*	*25,3%*	*25,2%*	*0,4%*	*0,6%*	*20,5%*	*11,7%*	*0,1%*	*5,1%*	*7,3%*	*11,3%*	*8,6%*	*8,6%*	*8,2%*	*7,0%*	*13,2%*	*6,9%*	*9,1%*	*7,7%*	*7,4%*
FX effects/other (%)	*-0,2%*	*-0,5%*	*1,3%*	*3,9%*	*-5,5%*	*-4,2%*	*-1,5%*	*-1,2%*	*3,3%*	*3,2%*	*-0,1%*	*0,9%*	*4,2%*	*3,4%*	*-1,7%*	*-1,7%*	*5,1%*	*4,4%*	*-0,3%*	*-3,5%*
EBITA	**280**	**412**	**453**	**305**	**511**	**631**	**715**	**692**	**966**	**1 186**	**1 377**	**1 732**	**2 168**	**2 523**	**2 702**	**3 709**	**4 662**	**5 664**	**5 917**	**6 318**
EBITA margin (%)	*10,7%*	*11,3%*	*9,2%*	*7,4%*	*11,1%*	*11,1%*	*11,6%*	*11,5%*	*14,2%*	*15,0%*	*15,3%*	*17,3%*	*18,1%*	*18,2%*	*19,6%*	*21,2%*	*21,6%*	*23,2%*	*22,6%*	*22,4%*
EBITA growth (%)	*nd*	*47,1%*	*10,0%*	*-32,7%*	*67,5%*	*23,5%*	*13,3%*	*-3,2%*	*39,6%*	*22,8%*	*16,1%*	*25,8%*	*25,2%*	*16,4%*	*7,1%*	*37,3%*	*25,7%*	*21,5%*	*4,5%*	*6,8%*
Organic growth (%)	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*7,6%*	*3,3%*	*10,6%*	*9,9%*	*3,1%*	*-0,1%*	*20,8%*	*11,2%*	*6,0%*	*-3,8%*	*0,2%*
Acquired growth (%)	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*12,2%*	*12,8%*	*14,4%*	*11,4%*	*10,2%*	*8,8%*	*18,1%*	*10,8%*	*11,5%*	*8,5%*	*9,7%*
FX effects/other (%)	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*2,6%*	*3,0%*	*0,0%*	*0,8%*	*3,9%*	*3,1%*	*-1,6%*	*-1,6%*	*4,4%*	*4,0%*	*-0,2%*	*-3,1%*
Net income to parent company	**166**	**334**	**190**	**77**	**235**	**291**	**324**	**378**	**560**	**810**	**908**	**1 084**	**1 389**	**1 505**	**1 655**	**2 390**	**2 784**	**3 274**	**3 301**	**3 633**
Share count, year-end (m)*	454,2	454,2	454,2	454,2	454,2	454,2	454,2	454,2	454,2	454,2	454,2	454,2	454,2	454,2	454,2	454,2	454,2	454,2	454,2	454,2
EBITA/share	**0,62**	**0,91**	**1,00**	**0,67**	**1,13**	**1,39**	**1,57**	**1,52**	**2,13**	**2,61**	**3,03**	**3,81**	**4,77**	**5,55**	**5,95**	**8,17**	**10,26**	**12,47**	**13,03**	**13,91**
EPS	**0,37**	**0,74**	**0,42**	**0,17**	**0,52**	**0,64**	**0,71**	**0,83**	**1,23**	**1,78**	**2,00**	**2,39**	**3,06**	**3,31**	**3,64**	**5,26**	**6,13**	**7,21**	**7,27**	**8,00**
Net debt/EBITDA (x)	**0,6**	**2,0**	**2,1**	**2,2**	**2,1**	**2,7**	**2,2**	**1,9**	**2,0**	**1,6**	**2,1**	**2,0**	**1,6**	**1,9**	**1,6**	**1,7**	**1,7**	**1,7**	**1,8**	**1,7**
Net interest-bearing debt/adj EBITDA (x)	0,6	2,0	2,1	2,2	2,1	2,7	2,1	1,9	1,9	1,5	2,0	1,9	1,4	1,4	1,1	1,1	1,1	1,1	1,2	1,1
Interest coverage ratio (x)	nd	nd	nd	nd	nd	5,5	12,2	10,8	15,1	32,8	28,1	31,7	41,4	30,8	34,3	42,5	29,9	11,0	9,4	12,5
Number of acquisitions	**3**	**7**	**3**	**3**	**1**	**4**	**1**	**0**	**1**	**7**	**11**	**13**	**10**	**6**	**10**	**17**	**12**	**18**	**13**	**16**
Previous year sales**	129	1 353	214	53	45	1 442	73	0	417	573	1 340	928	527	1 272	773	1 922	1 538	2 358	2 041	2 090
Previous sales/acq	43	193	71	18	45	360	73	na	417	82	122	71	53	212	77	113	128	131	157	131
Acquired sales***	nd	nd	nd	nd	nd	nd	60	0	531	653	1 253	1 025	584	1 350	651	2 274	1 618	2 348	1 798	2 054
Acquired EBITA***	nd	nd	nd	nd	nd	nd	21	0	177	107	204	223	110	287	154	595	353	659	508	597
EBITA margin (%)	*na*	*na*	*na*	*na*	*na*	*na*	*34,8%*	*na*	*33,3%*	*16,4%*	*16,3%*	*21,8%*	*18,8%*	*21,3%*	*23,7%*	*26,2%*	*21,8%*	*28,1%*	*28,3%*	*29,1%*
Acquired sales/acq	na	na	na	na	na	na	60	na	531	93	114	79	58	225	65	134	135	130	138	128
Acquired EBITA/acq	**na**	**na**	**na**	**na**	**na**	**na**	**21**	**na**	**177**	**15**	**19**	**17**	**11**	**48**	**15**	**35**	**29**	**37**	**39**	**37**
Net cash deployed on acq	**103**	**843**	**182**	**76**	**663**	**1 771**	**90**	**0**	**1 264**	**573**	**1 608**	**1 378**	**500**	**1 781**	**1 056**	**2 990**	**2 399**	**3 718**	**2 891**	**3 360**
CCs for previous acq	na	na	na	na	na	na	20	0	0	46	1	6	10	72	45	116	321	27	321	112
Purchase consideration****	nd	nd	nd	nd	nd	nd	70	0	1 264	527	1 607	1 372	490	1 709	1 011	2 874	1 974	3 691	3 040	3 317
Contingent consideration	nd	nd	nd	nd	nd	nd	24	0	0	0	42	212	205	452	183	622	273	644	636	596
Total consideration	**na**	**na**	**na**	**na**	**na**	**na**	**94**	**0**	**1 264**	**527**	**1 649**	**1 584**	**695**	**2 161**	**1 194**	**3 496**	**2 247**	**4 335**	**3 676**	**3 913**
Contingent/total (%)	na	na	na	na	na	na	26%	nd	0%	0%	3%	13%	29%	21%	15%	18%	12%	15%	17%	15%
Sales multiple initial***** (x)	na	na	na	na	na	na	1,2	na	2,4	0,8	1,3	1,3	0,8	1,3	1,6	1,3	1,2	1,6	1,7	1,6
EBITA multiple initial*** (x)**	**na**	**na**	**na**	**na**	**na**	**na**	**3,3**	**na**	**7,1**	**4,9**	**7,9**	**6,2**	**4,5**	**6,0**	**6,6**	**4,8**	**5,6**	**5,6**	**6,0**	**5,6**
Sales multiple total***** (x)	na	na	na	na	na	na	1,6	na	2,4	0,8	1,3	1,5	1,2	1,6	1,8	1,5	1,4	1,8	2,0	1,9
EBITA multiple total*** (x)**	**na**	**na**	**na**	**na**	**na**	**na**	**4,5**	**na**	**7,1**	**4,9**	**8,1**	**7,1**	**6,3**	**7,5**	**7,8**	**5,9**	**6,4**	**6,6**	**7,2**	**6,6**

*Note: *2014 share count used for 2006–2013, split-adjusted **reported local currency figures converted to SEK using average exchange rate in acquisition year, ***full-year pro-forma figures disclosed for acquired companies in the year of acquisition; 2012–2014 net sales and EBITA figures include estimates due to insufficient disclosure, Q1-Q4 2025 figures annualised ****net of acquired cash, *****based on full-year figures in year of acquisition*

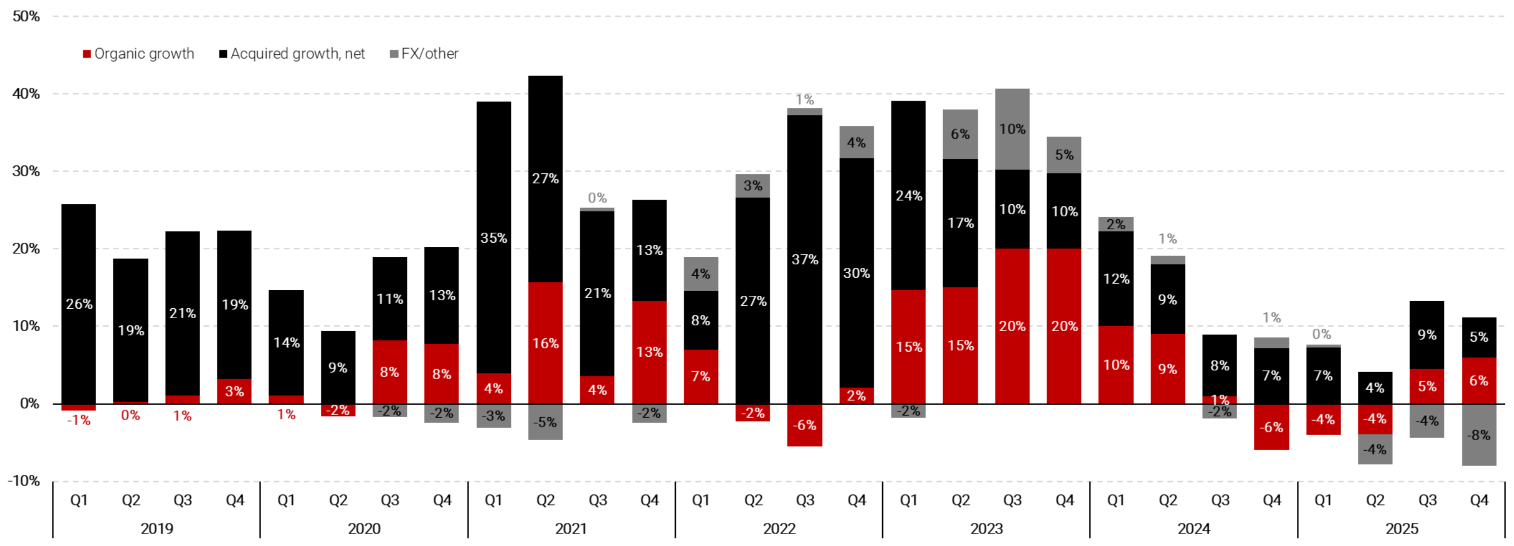
Source: Lifco (financial figures), Redeye Research (table structuring)

Sdiptech Q4 2025: Incremental improvements

Sdiptech's net sales shrank from cSEK1,336m in Q4 2024 to cSEK1,325m in Q4 2025 (continued operations), corresponding to a decline of c1% y/y (but organic growth of c4%) and missing our projection by c2%. Core operations' net sales grew from cSEK1,103m to cSEK1,138m over that period, representing growth of c3% (c6% organic, c5% acquired, c-8% FX). Non-core operations saw a clear rebound in Q4, which we think will help in the divestment process. Speaking of that, Sdiptech has already closed one divestment and signed 7 additional LOIs, which is faster than we anticipated, and we view it as a clear positive in the investment case.

After that, the company can focus fully on acquiring and developing higher-quality, more resilient firms. Even though the timing of the sale near a cyclical low might not be ideal, Sdiptech seems likely to receive around 6x EBIT for the divested businesses, which we think is reasonable. Organic growth comparables will remain soft in the coming quarters (likely also for core operations, though to a lesser extent). Combined with a slow economic recovery, we expect Sdiptech's organic expansion to be decent over the coming quarters. FX headwinds will probably continue to drag on the company's figures into late 2026e.

Sdiptech: Quarterly net sales growth in Q1 2019-Q4 2025 (%)



Note: From Q3'25 numbers illustrate core operations

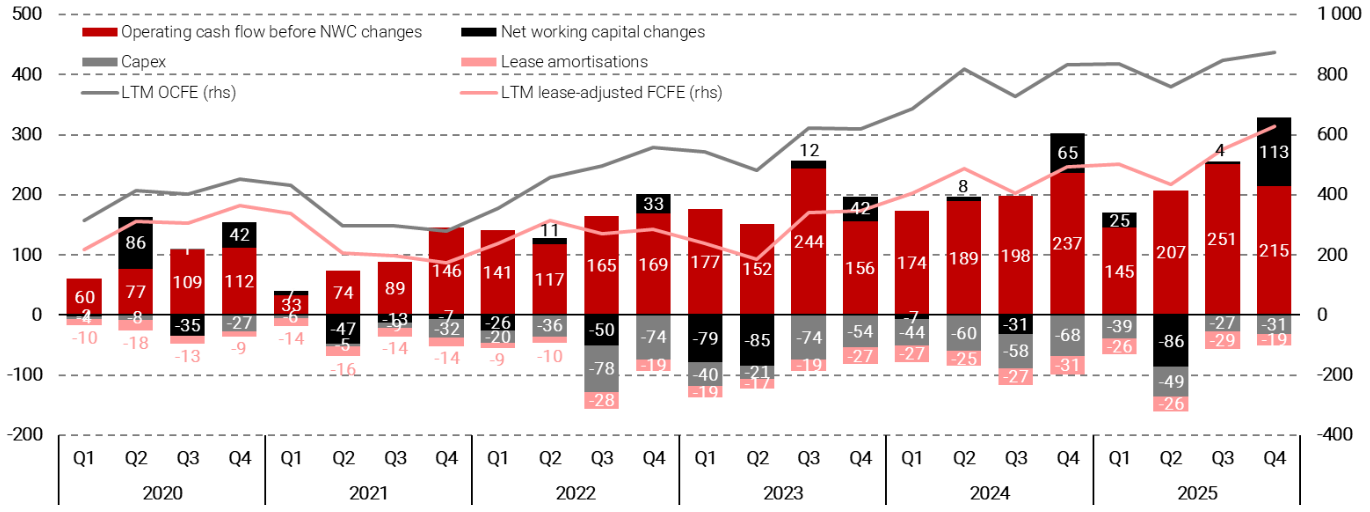
Source: Sdiptech company filings (financial figures), Redeye Research (chart structuring)

Adjusted EBITA for continued operations rose by c9% y/y from cSEK260m to cSEK284m (c0% organic), i.e., adjusted EBITA margin improved to c21% (c19%). Sdiptech's adjusted EBITA beat our projection by 11%, with adjusted EBITA margin topping our estimate by c3%-point; however, this was driven by a sharp rebound in the subsidiaries earmarked for divestment. Adjusted EBITA for core operations declined slightly from cSEK257m in Q4 2024 to cSEK255m in Q4 2025, corresponding to a decline of c1% y/y (c0% organic, c6% acquired, c-7% FX). We expect the company's divestment of non-core operations to be margin-accretive and increase earnings stability.

Operating cash flow (continued operations) rose from cSEK302m in Q4 2024 to cSEK328m in Q4 2025, deriving from higher cash earnings, lower taxes paid, and more favourable working capital changes. LTM lease-adjusted FCFE increased from cSEK493m in Q4 2024 to cSEK628m in Q4 2025. The release of WC was impressive in Q4, leading us to believe we should not expect too much more near-term. Long-term, Sdiptech is now tying incentives structures to working capital, which should increase the potential to become even leaner in the future.

We lowered our 2026e net sales but increased our adjusted EBITA estimates by c5% and c1% after Sdiptech's Q4 report, on the back of solid progress with divestments and slightly higher profitability assumptions. Sdiptech's common share trended higher after Q3 figures, but gave all that back and more during Q4, bottoming at cSEK167 in the period prior to the Q4 earnings release. Its Q4 2025 results fuelled another rally, and it now trades at cSEK190. It remains to be seen if the upward trajectory is sustainable this time, but we like the setup with operational performance surprising on the upside, only to trade down on general market uncertainty.

Sdiptech: Operating cash flow (OCFE) and free cash flow to equity (FCFE) in Q1 2020-Q4 2025 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: Sdiptech company filings (financial figures), Redeye Research (chart structuring)

We increased our base case from SEK270 to SEK280 per share after the report, primarily due to upgrades related to the upcoming divestment of non-core operations and future M&A. Our valuation continues to suggest substantial upside potential. Thus, if Sdiptech successfully divests non-core operations and focuses on its core strategy, long-term-oriented investors should eventually be rewarded. The company currently trades at an EV/EBITA of c11-10x on 2025-2026e estimates.

Sdiptech: Re-starting the M&A agenda

Sdiptech has announced a new acquisition since our Q3 2025 update. Specifically, it acquired STORR (cEUR2m) in the Netherlands. Sdiptech has acquired cSEK205m in annual sales over the last four quarters, corresponding to an estimated growth contribution of c5%. We pencil in Sdiptech's acquired EBITA growth fully reverting to historical levels in 2026e and beyond.

Sdiptech: Acquisitions in the last four quarters

Company	Segment	Consolidated	Sales* (SEKm)	EBIT (SEKm)	Growth contribution (%, versus LTM)**
STORR B.V	SC&T	2025-12-01	25	9	0,5%
Phase 3 Connectors	E&E	2025-02-01	180	40	4,0%
Total			**205**	**49**	**4,5%**

**Based on most recent disclosed 12-month sales and EBIT figures **Most recent disclosed 12-month sales as a percentage of Sdiptech's LTM sales in the quarter when an acquisition occurred*

Source: Sdiptech company filings (financial figures), Redeye Research (estimates, table structuring)

STORR, headquartered in Apeldoorn, Netherlands, is a leading provider of premium partition wall solutions for refrigerated transport. STORR was founded in 2025 and has established a strong position in the European market, particularly among refrigerated fleet operators and commercial vehicle bodybuilders. The company has annual sales of cEUR2m according to

Sdiptech's press release, though we could not identify any public financials for this acquiree. It has joined the business area Supply Chain & Transportation.

Sdiptech's total net debt/adjusted EBITDA has declined from c3.3x in Q4 2024 to c2.8x in Q4 2025. We judge that a slightly subdued M&A pace in the short term is not necessarily negative. Specifically, cash flows and divestments are likely to lower net leverage to more moderate levels over the coming year. Thus, once Sdiptech's current strategic review concludes, it should sport decent financial firepower to fully focus on high-quality M&A targets that align with its current acquisition criteria. However, this process will require some patience.

Read more about our takes on Sdiptech's Q4 report in our latest research update.

Sdiptech: Historical key financials and M&A in 2015-2025

SEKm	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net sales	412	776	1 078	1 496	1 825	2 088	2 719	3 505	4 818	5 166	5 196
Net sales growth (%)	*204,4%*	*88,0%*	*39,0%*	*38,8%*	*22,0%*	*14,4%*	*30,2%*	*28,9%*	*37,5%*	*7,2%*	*0,6%*
Organic growth (%, FX-neutral)	*0%*	*5%*	*6%*	*5%*	*0%*	*4%*	*11%*	*0%*	*17%*	*3%*	*6%*
Acquired growth(%)	*204%*	*84%*	*35%*	*38%*	*22%*	*12%*	*22%*	*24%*	*15%*	*9%*	*6%*
Adjusted EBITA	34	111	123	177	262	347	509	671	922	1 010	1 020
EBITA margin (%)	*8,2%*	*14,3%*	*11,4%*	*11,8%*	*14,4%*	*16,6%*	*18,7%*	*19,1%*	*19,1%*	*19,6%*	*19,6%*
Organic growth (%, FX-neutral)	*-231%*	*39%*	*nd*	*nd*	*9%*	*11%*	*8%*	*-10%*	*13%*	*-2%*	*-1%*
Number of acquisitions	5	7	5	8	4	4	4	7	2	5	2
Estimated acquired sales*	288	382	200	412	355	472	570	816	178	517	193
Estimated acquired EBITA*	44	81	35	81	92	89	159	161	50	109	53
EBITA margin (%)	*15,4%*	*21,1%*	*17,5%*	*19,6%*	*25,9%*	*18,8%*	*27,8%*	*19,7%*	*27,9%*	*21,1%*	*27,5%*
Acquired sales/acq	58	55	40	51	89	118	143	117	89	103	96
Acquired EBITA/acq	9	12	7	10	23	22	40	23	25	22	27
Net cash deployed on acq	161	319	161	293	544	599	1 033	1 485	586	851	632
CCs for previous acq	nd	nd	0	6	73	79	109	356	182	288	383
Purchase consideration**	160	354	154	285	469	520	1 160	1 126	380	580	301
Contingent consideration***	79	290	231	260	374	270	515	646	143	399	116
Total consideration	239	644	385	545	843	790	1 675	1 772	523	979	417
Contingent/total (%)	33%	45%	60%	48%	44%	34%	31%	36%	27%	41%	28%
Sales multiple initial**** (x)	0,6	0,9	0,8	0,7	1,3	1,1	2,0	1,4	2,1	1,1	1,6
EBITA multiple initial**** (x)	3,6	4,4	4,4	3,5	5,1	5,9	7,3	7,0	7,6	5,3	5,7
Sales multiple total**** (x)	0,8	1,7	1,9	1,3	2,4	1,7	2,9	2,2	2,9	1,9	2,2
EBITA multiple total**** (x)	5,4	8,0	11,0	6,8	9,2	8,9	10,6	11,0	10,5	9,0	7,9

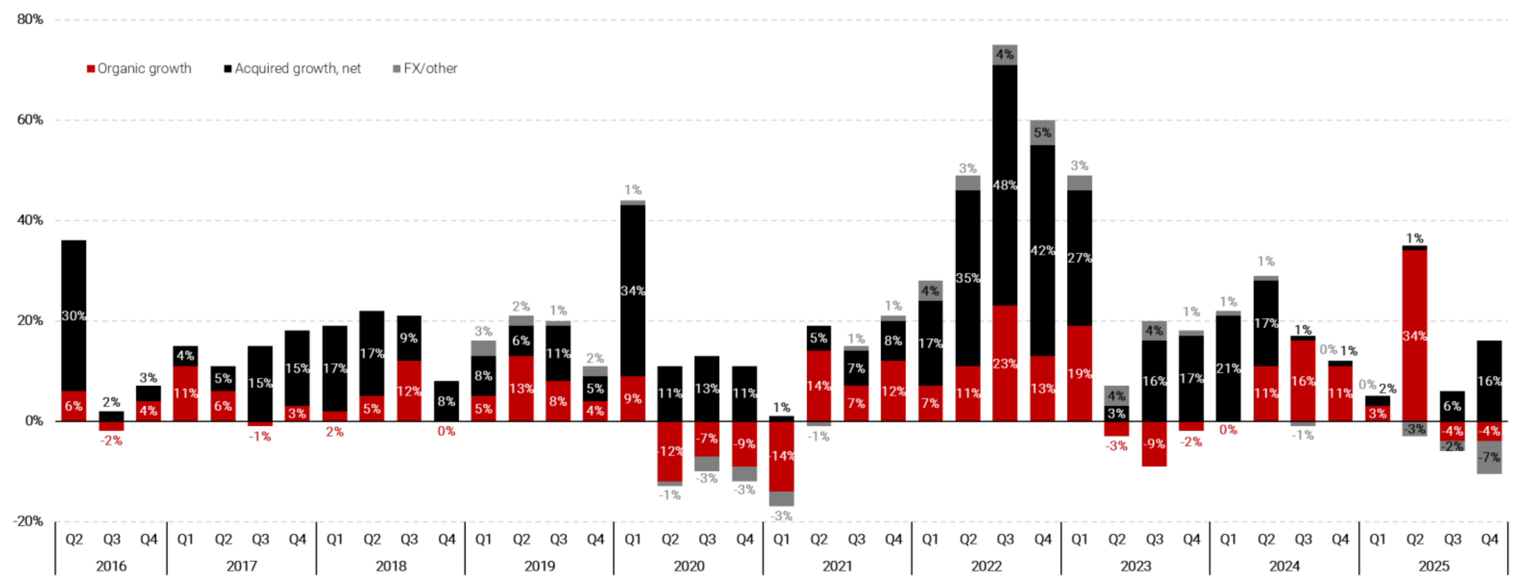
*Note: *as disclosed in company filings, EBT in 2020-2024 due to changed disclosure (we judge EBT on subsidiary level roughly corresponds to group EBITA contribution), **net of acquired cash, ***maximum possible contingent consideration; estimate in years where maximum possible contingent consideration was not disclosed, ****based on full-year figures in year of acquisition as disclosed or estimated by Redeye Research, Q1-Q4 2025 figures annualised*

Source: Sdiptech company filings (financial figures), Redeye Research (table structuring)

Addnode Q4 2025: Best quarter so far

Addnode delivered its highest quarterly EBITA to date in Q4 2025 at SEK298m, up 20% y/y and 4% above our SEK286m estimate. This beat was driven by strong margins across all divisions, offsetting a slight sales miss. Total net sales reached SEK1,564m, a 5.4% y/y increase, though organic growth was -4% due to tough Autodesk contract comparables (excluding 3-year deals) and some SaaS migration headwinds. Process Management was the standout, with a record EBITA margin of 22.1%. Full-year 2025 EBITA rose 5% y/y, supported by SEK700m in acquired sales. The outlook and market conditions remain largely unchanged, with stable Nordics, US, and UK, while Germany is soft (roughly flat q/q though).

Addnode: Quarterly net sales growth in Q2 2016-Q4 2025 (%)



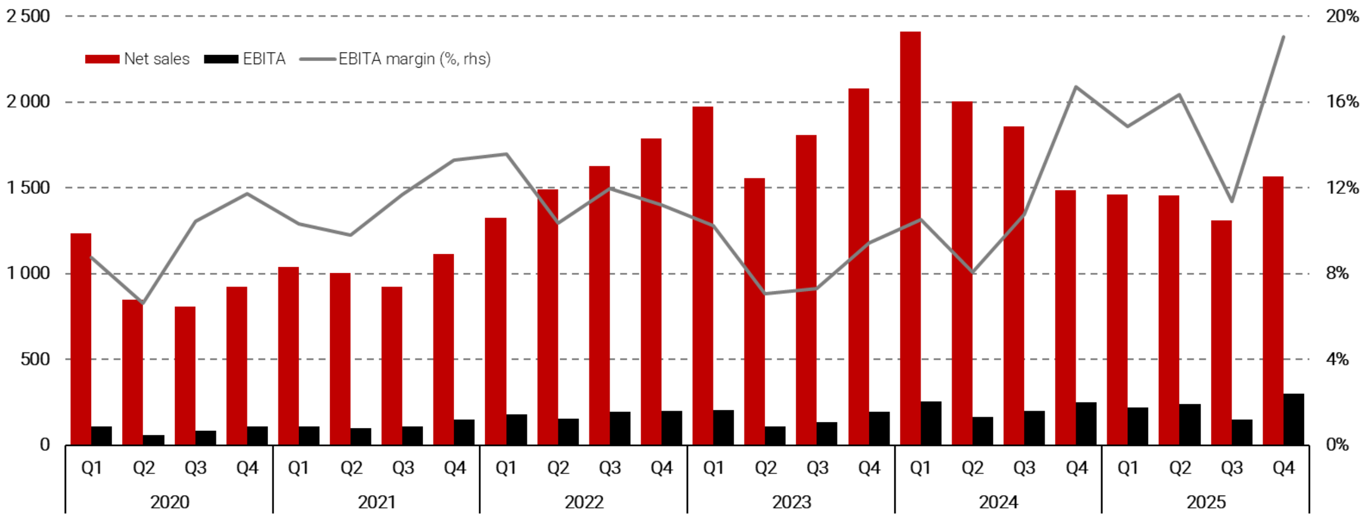
Note: Acquired growth net of divestments, FX effects disclosed since Q1 2019, organic growth adjusted for Autodesk's new transaction model and reclassification of third-party sales

Source: Addnode company filings (financial figures), Redeye Research (chart structuring)

The group continues to integrate AI to drive customer value, notably with Symetri's automation platform for the Port Authority of NY & NJ and Decerno's GAIA tool for the City of Stockholm, which reduced manual inspections by 75%. Also, Addnode's Innovation program is pivoting entirely to AI for 2026. We are encouraged to see Addnode active in both innovation initiatives and, especially, in actual customer cases.

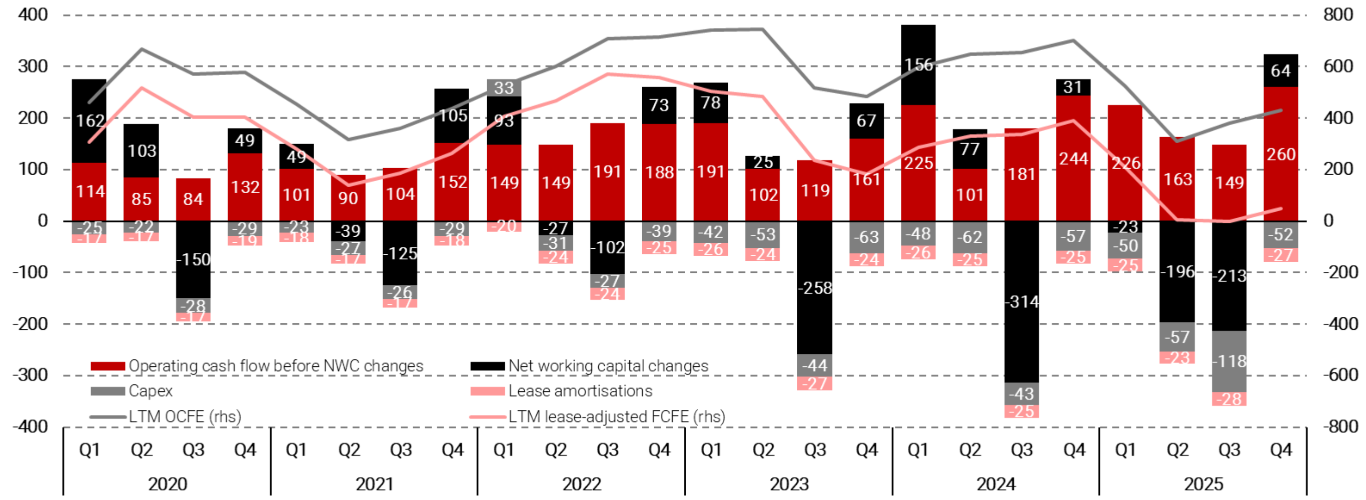
LTM lease-adjusted free cash flow to equity (FCFE) fell from cSEK390m in Q4 2024 to cSEK50m over that period, suffering from temporary adverse working capital effects after a change in payment terms for Autodesk's three-year agreements. In Q3, Addnode noted on its conference call that it believes cash flow has reached a bottom, and so far, that seems to be the case with a q/q improvement of cSEK50m. Further, it expects a full normalisation of working capital effects in H2 2026e. Thus, while it will seemingly take some additional quarters for cash conversion to ramp back to historical levels, the recent soft cash flows do not concern us.

Addnode: Net sales and EBITA development in Q1 2020-Q4 2025 (SEKm)



Source: Addnode company filings (financial figures), Redeye Research (chart structuring)

Addnode: Operating cash flow (OCFE) and free cash flow to equity (FCFE) in Q1 2020-Q4 2025 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: Addnode company filings (financial figures), Redeye Research (chart structuring)

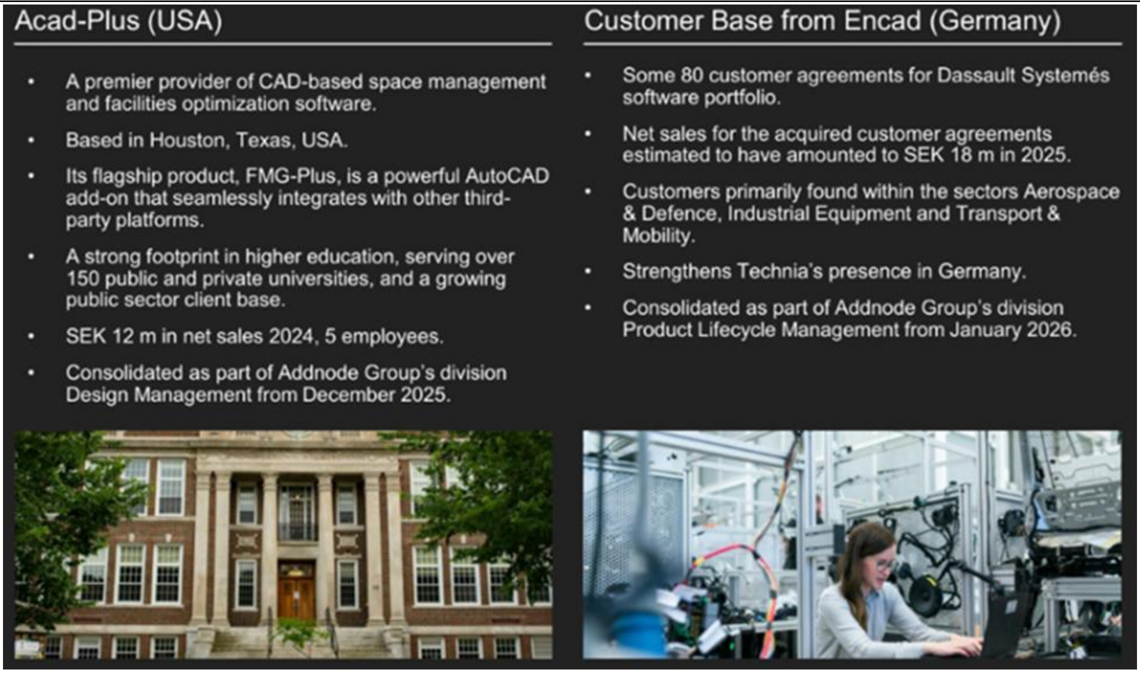
We maintain our Base Case of SEK124 per share, corresponding to a 50% upside, the largest seen in a long time. Our 2026e estimates remain largely unchanged on a group level, as the strength in PM offsets minor downward revisions in DM and PLM. Addnode currently trades at 18x EBIT 2026e, in line with SaaS peers, and 13x EV/EBITDA-CAPEX. While the SaaS sector faces pressure from AI-related sentiment, Addnode's exposure to mission-critical platforms such as Autodesk and Dassault Systèmes, alongside its resilient public sector business, provides significant protection. The current 13x EBITDA-CAPEX multiple is historically attractive for a proven M&A compounder in our view.

Addnode: Two minor acquisitions since the last update

Since our Q3 update, Addnode has made two minor acquisitions, adding about SEK 30 m in total sales. While that is a small number, remember that Addnode's largest acquisition by EBITA was SolidCAD in early Q4 2025.

Following the acquisition of primarily SolidCAD, Addnode has a relatively high M&A activity level of R12m, with 12% growth relative to R12m (at the time of each acquisition). Genus and SolidCAD have above-group-level margins, leading to even larger EBITA growth from acquisitions.

Addnode: Recent acquisitions



Source: Addnode company filings (financial figures), Redeye Research (estimates, table structuring)

Addnode: Acquisitions in the last twelve months

Company	Segment	Country	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
ACAD-Plus Inc	DM	US	2025-12-01	12	0,2%
X10D Solutions	PLM	SE	2025-11-01	40	0,7%
SolidCAD	DM	CA	2025-10-27	280	4,9%
FF Solutions	DM	BR	2025-08-01	90	1,6%
Carve-out Repro Products	DM	US	2025-07-11	24	0,4%
Carve-out TPM	DM	US	2025-07-02	28	0,5%
Genus	PM	NO	2025-07-01	165	2,9%
Pcskog	PM	SE	2025-04-03	10	0,2%
Railit	PM	SE	2025-02-01	14	0,2%
Congere	PM	SE	2025-02-01	25	0,4%
Total				688	11,9%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Addnode's LTM sales in the quarter when an acquisition occurred*

Source: Addnode company filings (financial figures), Redeye Research (estimates, table structuring)

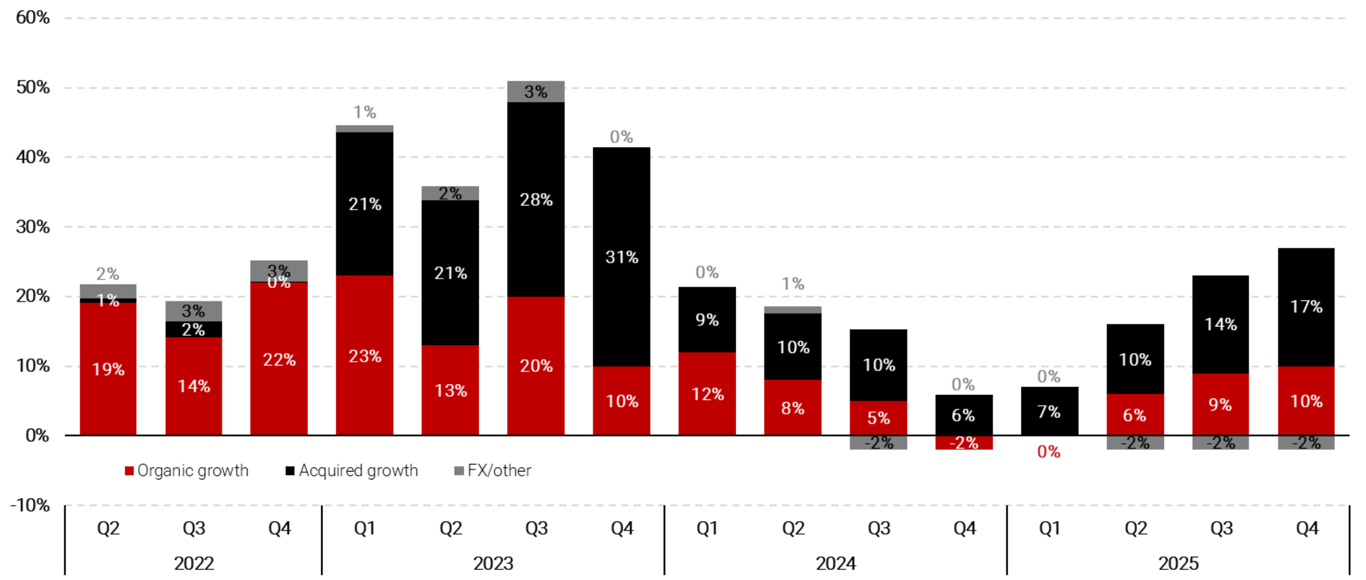
Addnode's total net debt/EBITDA (excluding IFRS 16 but including contingent considerations) has risen from c1.5x at year-end 2024 to c2.9x at the end of Q4 2025. We judge this gearing increase to be somewhat temporary, as Addnode has recently seen high M&A activity and is experiencing a short-term cash-flow drag from working capital changes. We expect leverage to normalise once the recent M&A fully consolidates into LTM figures and cash conversion normalises.

Read more about our take on Addnode's Q4 report in our latest research update.

MedCap Q4 2025: Beat on solid organic growth

MedCap grew net sales from cSEK474m in Q4 2024 to cSEK591m in Q4 2025, representing growth of c25% y/y (c10% organic, c17% acquired, c-2% FX) and beating our projection by c2%. The estimate beat mainly derived from Medtech topping our sales forecast by 10%, while Specialty Pharma undershot what we pencilled in by c-13%. These roughly cancel each other out, although in the positive (+SEK18m in revenue from Medtech and -SEK13m in Speciality Pharma). Assistive Tech beat our estimates by around 2% (+SEK6m). MedCap's organic growth kept improving sequentially, and comparables will continue to ease in the coming quarters. Thus, we expect solid figures for the coming quarters.

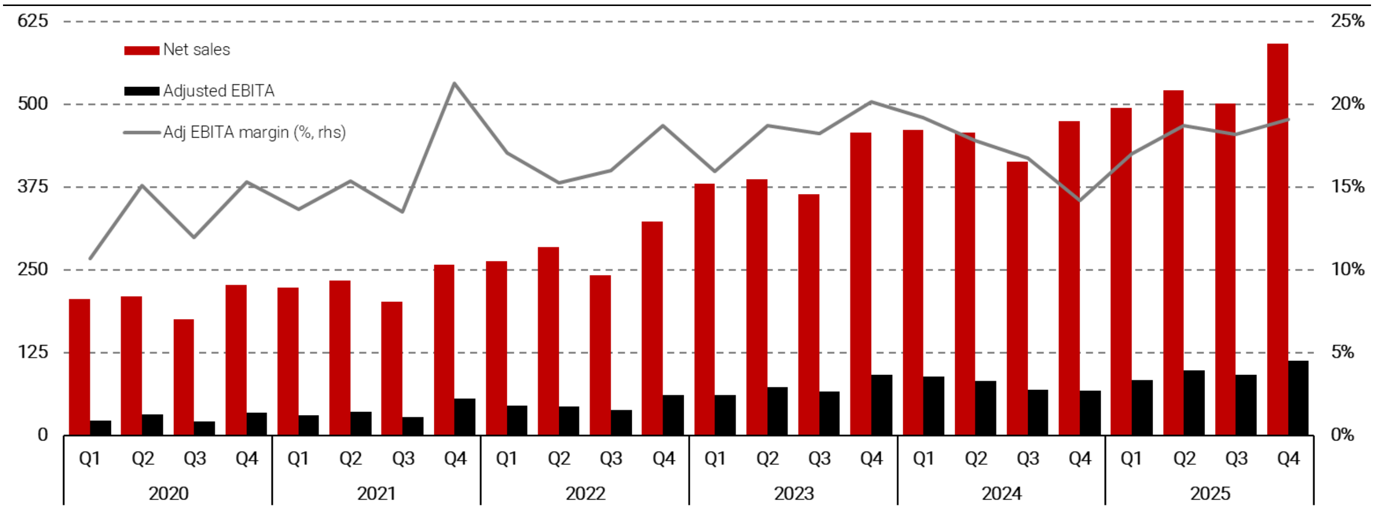
MedCap: Quarterly net sales growth in Q2 2022-Q4 2025 (%)



Source: MedCap company filings (financial figures), Redeye Research (chart structuring)

MedCap's adjusted EBITA, as the company defines it, rose from cSEK67m in Q4 2024 to cSEK113m in Q4 2025, beating our estimate by c2%. The adjusted EBITA margin at 19% was in line with our estimate of 19% (after rounding). It is an improvement of 1% versus Q3 2025. Overall, we appreciate the company maintaining its strong organic growth and profitability from Q3 into Q4. Assistive Tech posted another quarter of high profitability, with an adjusted EBITA of 26% (versus 27% in Q2-Q3 2025), while Medtech posted a record-high margin of 20%.

MedCap: Net sales and EBITA development in Q1 2020-Q4 2025 (SEKm)

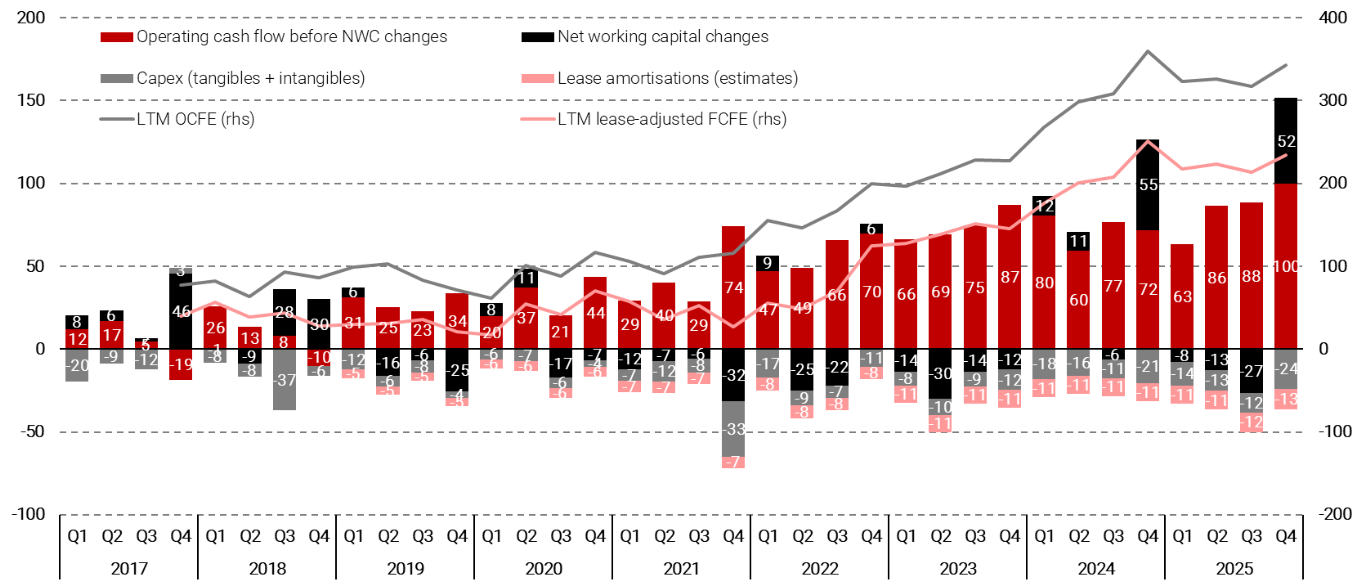


Source: MedCap company filings (financial figures), Redeye Research (chart structuring)

We understand that a large MedTech subsidiary customer, Multi-Ply, is still ordering lower volumes (as in Q3), which is negatively affecting margins. This was more than compensated for by the increased volume from Inpac. The margin for Specialty Pharma decreased from 13% in Q3 2025 to 6% in this quarter, similar to the Q2 2025 margin (7%). Ongoing investments to improve sales are weighing on margins, which the company expects will gradually improve in H2 2026 as new products are launched. We had hoped margins would improve after the acquisition of XGX Pharma.

Operating cash flow increased from SEK62m in Q3 2025 to SEK152m in Q4 2025, which is mainly explained by a positive working capital change of SEK52m (versus a negative SEK-27m in Q3). LTM lease-adjusted free cash flow to equity (FCFE) has increased from SEK214m in Q3 2025 to SEK234m in Q4 2025. We expect lease-adjusted FCFE growth to mirror net income growth over time, subject to short-term fluctuations mainly in working capital.

MedCap: Operating cash flow (OCFE) and free cash flow to equity (FCFE) in Q1 2018-Q4 2025 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: MedCap company filings (financial figures), Redeye Research (chart structuring)

We nudged up our 2026e net sales estimate by c1% to cSEK2.5bn and raised our adjusted EBITA projection, as we define it, by c1% to cSEK453m. MedCap's share rallied to cSEK620-630 on solid Q3 figures but trended down to cSEK490 during the fourth quarter. Decent Q4 figures fuelled a renewed rally to cSEK540-550, and we believe investor sentiment benefited from MedCap demonstrating that its soft Q4 2024-Q1 2025 figures constituted a temporary dry spell. The stock has since moderated again, now trading at cSEK485.

We increased our base case from SEK563 to SEK575 after the report due to minor estimate upgrades. MedCap now trades at c17-15x EV/adjusted EBITA and c28-24x P/E on our 2026e-2027e projections. We view M&A and quarterly reports as catalysts for share prices.

MedCap: Moderate M&A pace during 2025

MedCap has not announced any new acquisitions since our Q3 2025 update. The company has closed three M&A deals in the last 12 months, representing annual sales of cSEK183m and an estimated growth contribution of c10%.

MedCap: Acquisitions in the last four quarters

Company	Segment	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
Danrehab	Assistive Tech	2025-02-01	62	3,4%
XGX Pharma	Specialty Pharma	2025-07-21	76	4,0%
LivAssured	Assistive Tech	2025-10-01	44	2,3%
Total			**183**	**9,7%**

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of MedCap's LTM sales in the quarter when an acquisition occurred*

Source: MedCap (financial figures), Redeye Research (estimates, table structuring)

We believe MedCap has ample financial capacity for additional M&A, and the company noted that its acquisition pipeline remains solid. At the end of Q4 2025, the company sported a Total net debt/EBITDA (excluding IFRS 16 but including contingent considerations and put/call options) of only 0.2x. With a 3x limit, the company is well-funded for further M&A-fueled growth. We believe the company will continue to be selective in its acquisitions, preferring quality at the right price over quantity, and pencil in two acquisitions for 2026e.

Read more about our take on MedCap's Q4 report in our latest research update.

MedCap: Historical key financials and M&A

SEKm	May-Apr 2006/07	May-Apr 2007/08	May-Apr 2008/09	May-Apr 2009/10	May-Apr 2010/11	May-Apr 2011/12	May-Apr 2012/13	May-Apr 2013/14	May-Apr 2014/15	May-Apr 2015/16	May-Apr 2016/17	Jan-Dec 2017	Jan-Dec 2018	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2024	Jan-Dec 2025
Net sales	**89**	**189**	**187**	**259**	**316**	**337**	**349**	**826**	**853**	**817**	**852**	**596**	**709**	**757**	**817**	**916**	**1 111**	**1 587**	**1 807**	**2 108**
Net sales growth (%)	*na*	*113,0%*	*-1,0%*	*38,3%*	*22,1%*	*6,5%*	*3,7%*	*136,7%*	*3,2%*	*-4,2%*	*4,3%*	*na*	*19,0%*	*6,8%*	*8,0%*	*12,1%*	*21,3%*	*42,8%*	*13,8%*	*17,8%*
Adjusted EBITA (Redeye)	**0**	**9**	**3**	**22**	**31**	**25**	**25**	**37**	**16**	**37**	**8**	**42**	**58**	**110**	**110**	**137**	**175**	**277**	**290**	**373**
Adjusted EBITA margin (%)	*-0,3%*	*5,0%*	*1,4%*	*8,6%*	*9,8%*	*7,4%*	*7,3%*	*4,5%*	*1,9%*	*4,5%*	*0,9%*	*7,1%*	*8,2%*	*14,5%*	*13,5%*	*14,9%*	*15,8%*	*17,4%*	*16,0%*	*17,7%*
Adjusted EBITA growth (%)	*nd*	*na*	*-72,3%*	*754,5%*	*39,8%*	*-20,1%*	*2,5%*	*44,7%*	*-55,3%*	*124,2%*	*-78,2%*	*424,6%*	*38,3%*	*88,4%*	*0,1%*	*23,9%*	*28,5%*	*57,7%*	*4,7%*	*28,6%*
Net income to parent company	**-3**	**-8**	**0**	**6**	**14**	**11**	**17**	**23**	**9**	**19**	**0**	**6**	**1**	**54**	**61**	**97**	**118**	**172**	**207**	**197**
Share count, year-end (m)*	10,5	11,6	11,6	11,6	11,6	11,6	12,1	12,1	13,4	13,4	13,4	13,4	13,5	13,5	14,8	14,8	14,8	14,8	15,0	15,0
EBITA/share	**-0,02**	**0,81**	**0,22**	**1,91**	**2,67**	**2,14**	**2,10**	**3,04**	**1,23**	**2,75**	**0,60**	**3,15**	**4,35**	**8,19**	**7,45**	**9,22**	**11,85**	**18,68**	**19,35**	**24,77**
EPS	**-0,24**	**-0,66**	**0,01**	**0,50**	**1,16**	**0,92**	**1,41**	**1,87**	**0,64**	**1,45**	**0,01**	**0,44**	**0,04**	**3,99**	**4,12**	**6,52**	**7,94**	**11,63**	**13,85**	**13,09**
Net debt/EBITDA ex IFRS 16 (x)	**-0,3**	**2,1**	**-0,1**	**0,7**	**0,1**	**0,6**	**0,6**	**3,1**	**2,1**	**2,3**	**3,2**	**1,8**	**1,9**	**1,3**	**0,1**	**-0,1**	**-0,2**	**-0,2**	**-0,8**	**0,2**
Net debt/EBITDA (x)	-0,3	2,1	-0,1	0,7	0,1	0,6	0,6	3,1	2,1	2,3	3,2	1,8	1,9	2,2	1,0	0,8	0,4	0,3	0,0	0,8
Interest coverage ratio (x)	0,8	-1,4	0,4	7,7	9,4	4,7	8,6	4,7	3,8	4,8	0,8	10,3	8,5	7,4	10,0	10,9	8,2	15,2	14,8	10,2
Number of acquisitions	**3**	**0**	**1**	**1**	**0**	**0**	**4**	**2**	**0**	**3**	**1**	**2**	**1**	**2**	**2**	**0**	**2**	**3**	**2**	**3**
Previous year sales**	138	na	9	112	na	na	97	390	na	89	10	56	35	49	103	na	18	417	89	207
Previous sales/acq	46	na	9	112	na	na	24	195	na	30	10	28	35	24	52	na	9	139	44	69
Net cash deployed on acq	**31**	**8**	**2**	**21**	**5**	**28**	**12**	**-1**	**3**	**22**	**17**	**22**	**82**	**29**	**180**	**5**	**127**	**113**	**63**	**330**
CCs + minorities from prev acq***	0	8	0	0	4	28	0	0	3	-10	17	22	3	3	82	0	18	1	1	13
Purchase consideration****	58	na	7	21	na	na	64	100	na	30	na	-2	81	37	108	na	32	228	63	363
Contingent consideration	8	na	0	38	na	na	1	15	na	25	na	14	5	3	37	na	0	31	11	243
Total consideration	**65**	**na**	**7**	**59**	**na**	**na**	**65**	**115**	**na**	**54**	**na**	**13**	**86**	**39**	**145**	**na**	**32**	**259**	**73**	**606**
Contingent/total (%)	12%	na	0%	65%	na	na	1%	13%	na	45%	na	113%	6%	7%	26%	na	0%	12%	15%	40%
Sales multiple initial***** (x)	0,4	na	2,3	0,2	na	na	0,7	0,3	na	0,5	na	na	2,3	0,8	1,0	na	1,8	0,5	0,7	1,8
Sales multiple total**** (x)	0,5	na	2,3	0,5	na	na	0,7	0,3	na	0,6	na	0,3	2,4	0,8	1,4	na	1,8	0,6	0,8	2,9

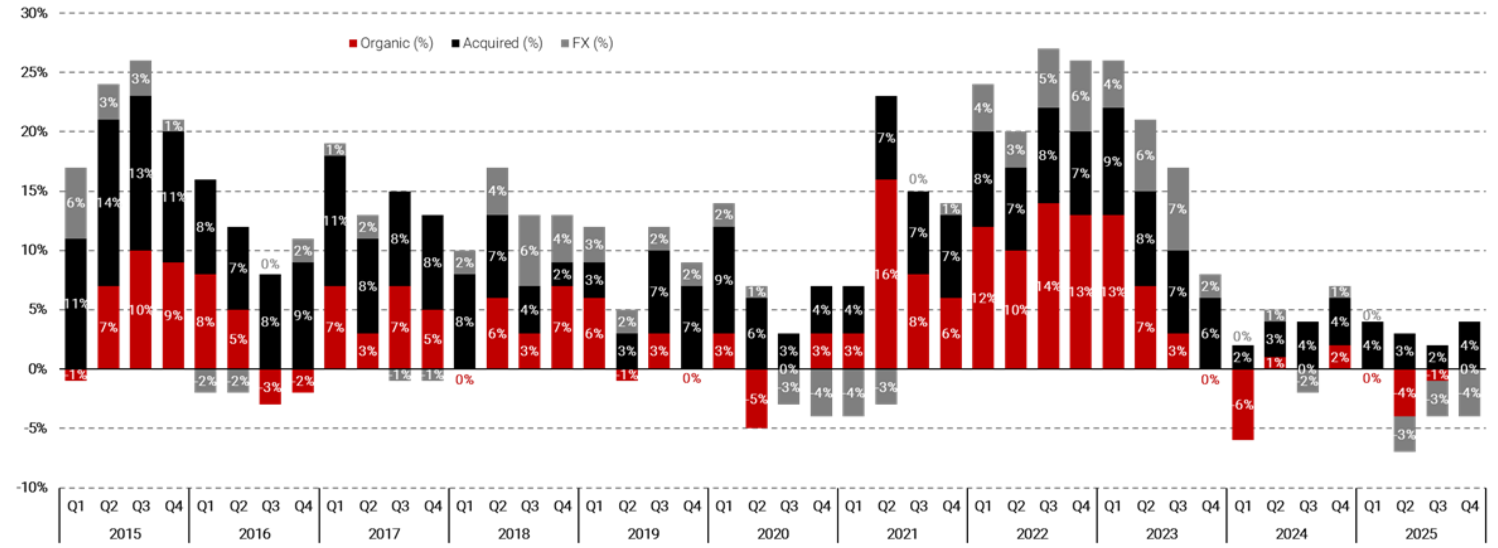
*Note: *split-adjusted, **reported local currency figures converted to SEK using average exchange rate in year of acquisition if no SEK figure was disclosed, ***We could not always identify if and how much contingent considerations were settled in earlier years, ****Net of acquired cash; 2017: Purchase consideration only disclosed for Scandinavian Nutrients (annual sales cSEK46m) but not for Emfit (cSEK10m), *****Based on disclosed prior-year or LTM sales; 2017 reflects purchase multiples only for Scandinavian Nutrients*

Source: MedCap company filings (financial figures), Redeye Research (estimates, table structuring)

Indutrade Q4 2025: Cautious optimism going into 2026

Indutrade's net sales fell from cSEK8,336m in Q4 2024 to cSEK8,226m in Q4 2025, representing growth of c-1% y/y (c0% organic, c4% acquired, c-4% FX) and missing our projection by c1%. The slight estimate miss was driven by sluggish sales growth across most divisions, except for Industrial & Engineering, which posted 4% organic y/y growth. However, y/y order intake growth exceeded net sales growth for the other four divisions, and was especially strong in Process, Energy & Water with 9% y/y. Organic sales growth remained soft during the quarter, though order intake provided an early sign of a general demand improvement. While Q1 figures are unlikely to present a drastic improvement, we judge that the company's figures continued to trend in the right direction.

Indutrade: Quarterly net sales growth in Q1 2016–Q4 2025 (%)

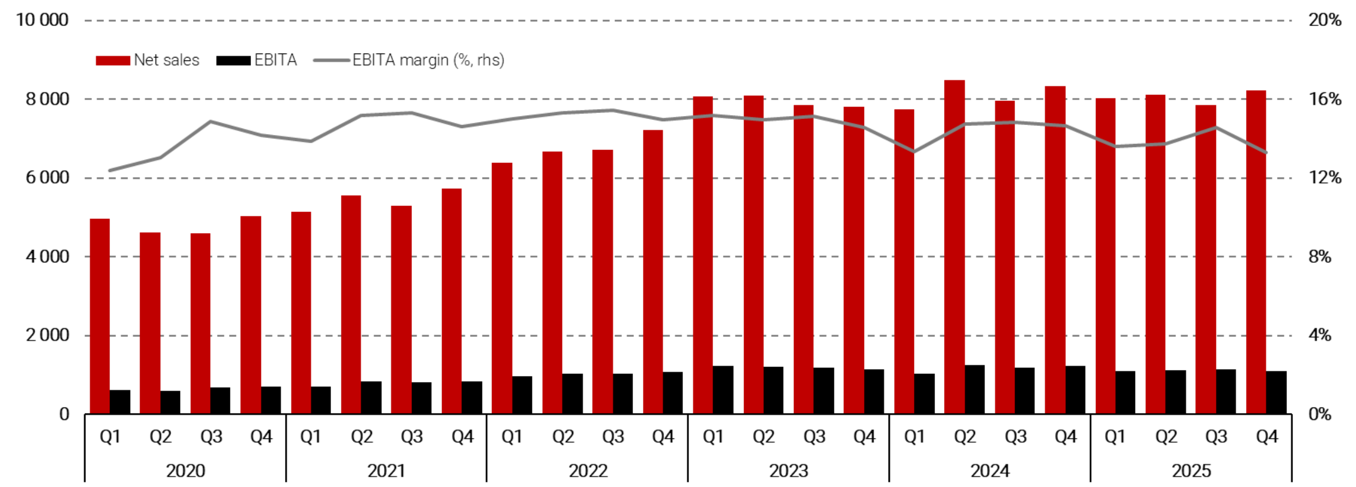


Note: Acquired growth net of divestments

Source: Indutrade company filings (financial figures), Redeye Research (chart structuring)

Reported EBITA shrank by c-10% y/y (c-11% organic, c4% acquired, c-3% FX) from cSEK1,221m in Q4 2024 to cSEK1,094m in Q4 2025, i.e., EBITA margin contracted to c13% (c15%). However, Indutrade took IAC of SEK125m for project-related write-downs at two UK companies, adjusting for that the EBITA margin remained flat at c15%. This quarter's reported and adj. EBITA missed our projection by c14% and c5%, respectively.

Indutrade: Net sales and EBITA development in Q1 2020-Q4 2025 (SEKm)

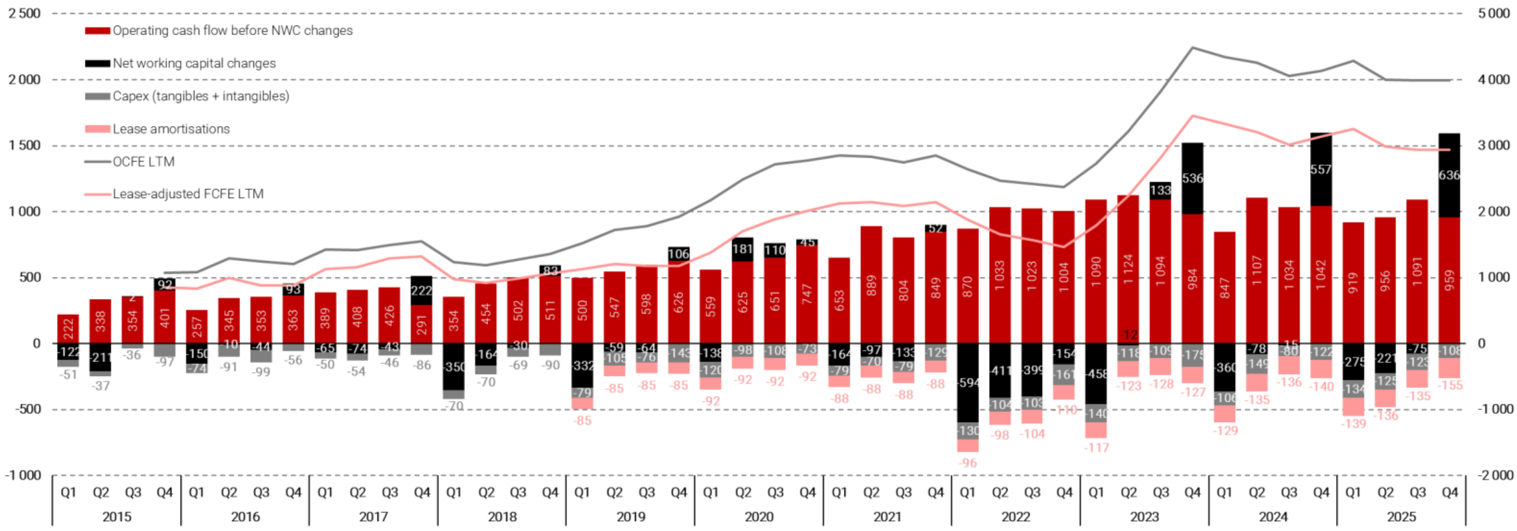


Source: Indutrade company filings (financial figures), Redeye Research (chart structuring)

Gross margin remained strong at c35-36% this quarter, boding well for operating leverage upon renewed organic growth. M&A was again margin accretive. Overall, Indutrade has seen a gradual improvement during 2025 and is cautiously optimistic about its prospects in 2026.

Operating cash flow dropped marginally from cSEK1,599m in Q4 2024 to cSEK1,595m in Q4 2025. We consider this strong, as reported EBIT was down c13% y/y. One reason Indutrade was able to achieve this was that some of the write-downs in the UK did not affect cash flows. It also had a larger working capital release this quarter compared to last year. LTM lease-adjusted free cash flow to equity (FCFE) has decreased from cSEK3.1bn in Q4 2024 to cSEK2.9bn in Q4 2025, mainly due to lower operating cash flows. We judge that Indutrade maintains decent cash conversion despite earnings headwinds. While a return to organic growth will likely tie up some working capital, a continued focus on capital efficiency should result in LTM lease-adjusted FCFE rising alongside net income over time.

Indutrade: operating cash flow (OCFE) and free cash flow to equity (FCFE) in Q1 2015-Q4 2025 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: Indutrade company filings (financial figures), Redeye Research (table structuring)

We lowered our 2026e net sales estimate by c3% to cSEK34.5bn and decreased our EBITA projection by c7% to cSEK5.1bn. Indutrade's share price reacted positively to Q3 figures but trended lower in the fourth quarter, bottoming at cSEK221 the day before Q4 earnings. The Q4 earnings miss led to an initial drop to cSEK209, though it has since recovered to cSEK231, potentially signalling that investor sentiment is bottoming out.

We lowered our base case from SEK269 to SEK260 per share, driven by slight profit downgrades. The stock trades at c21-18x EV/EBITA and c34-27x P/E on our 2025-2026e projections. Its current valuation is roughly fair, making earnings growth the primary driver of share price appreciation. Current multiples remain slightly below peers such as Lifco, Lagercrantz, and Addtech. However, Indutrade has recently underperformed its peers. Thus, we judge that a certain discount is reasonable.

Indutrade: Expect M&A activity to remain high in 2026

Indutrade's M&A activity has remained solid since our Q3 update, with the company closing two acquisitions since then. Specifically, it acquired Thermibel (annual sales cSEK75m) and Belman (cSEK255m), Indutrade has acquired cSEK1.6bn in annual sales during the last 12 months, corresponding to an estimated growth contribution of c5%. The company appears focused on maintaining a healthy M&A pace in 2026. Management highlighted the strong balance sheet and expected the recent M&A ramp-up to continue into 2026, as the pipeline remains strong.

At its CMD in early November 2025, the company remarked that it aims for each of its 30 segments to eventually close one M&A deal per year. Thus, it offered a straightforward path to doubling annual M&A volume while maintaining the organisational structure. Instead of a sudden increase, we believe this potential doubling will materialise gradually over time. Lastly, the company has also evolved its direct sourcing methods. Besides directly contacting potential acquirees, it increasingly utilises common points of contact, e.g., subsidiaries, suppliers, and customers. Getting a 'warm' introduction increases the likelihood of a response relative to cold-calling possible targets.

Indutrade: Acquisitions in the last four quarters

Company	Segment	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
ECOROLL Holding GmbH	Industrial & Engineering	2025-01-10	150	0,5%
Ideus Sweden AB	Industrial & Engineering	2025-04-01	55	0,2%
IPP Industrial Production Processes IRL Ltd.	Life Science	2025-06-01	185	0,6%
Utodas BV	Technology & Systems Solutions	2025-07-08	35	0,1%
Optimed Pro-Office	Life Science	2025-07-30	35	0,1%
Crane Group Holdings Ltd	Technology & Systems Solutions	2025-08-29	105	0,3%
Aldax AB	Life Science	2025-09-25	50	0,2%
ScanDybbroe	Industrial & Engineering	2025-09-01	185	0,6%
Magistor BV	Industrial & Engineering	2025-10-01	165	0,5%
SLT srl	Life Science	2025-10-01	85	0,3%
European Techsupply B.V.	Process, Energy & Water	2025-11-04	75	0,2%
ATM Group	Life Science	2025-11-17	110	0,3%
Thermibel S.A.	Technology & Systems Solutions	2025-12-22	75	0,2%
Belman	Process, Energy & Water	2026-02-02	255	0,8%
Total			1 565	4,8%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Indutrade's LTM sales in the quarter when an acquisition occurred*

Source: Indutrade (financial figures), Redeye Research (estimates, table structuring)

Indutrade acquired Thermibel in late December 2025. It designs, manufactures, and sells temperature sensors and calibration equipment for industrial applications. Thermibel was founded in 1983 and is headquartered in La Louvière, Belgium. It offers a wide range of proprietary products, including thermocouples, resistance temperature detectors and probes, along with temperature transmitters, and calibration instrumentation from leading suppliers.

We did find some financial information on Thermibel, but it is inconclusive (no sales) and not very impressive from what we can tell. It might be a data issue with our provider Valu8 or more of a turnaround story as Indutrade indicated that it will strengthen its cluster of temperature sensor companies. Overall, it is hard to draw any conclusions from the data we found. Thermibel will join the business area Technology & System Solutions.

Thermibel: Key financials for 2014-2024 (EURm)

Thermibel S.A.	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	CAGR 14-24	Mean	Median
Net sales	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**		
Gross profit	1,6	2,0	1,5	1,8	2,1	1,9	1,8	2,2	2,3	n/a	2,3	3,6%		
EBIT	**0,1**	**0,4**	**-0,3**	**-0,1**	**0,2**	**0,1**	**0,1**	**0,3**	**0,4**	**n/a**	**0,1**	**0,8%**		
NOPAT	0,1	0,3	-0,2	0,0	0,1	0,1	0,1	0,3	0,3	n/a	0,1			
Gross margin (%)	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*		n/a	n/a
EBIT margin (%)	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***		**n/a**	**n/a**
FCFF/EBIT (%)	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*		n/a	n/a
ROIC (%)	***2%***	***7%***	***-6%***	***-1%***	***3%***	***3%***	***2%***	***6%***	***6%***	***n/a***	***1%***		**2%**	**2%**
ROCE (%)	*3%*	*9%*	*-8%*	*-1%*	*5%*	*4%*	*3%*	*8%*	*9%*	*n/a*	*2%*		3%	3%
EBIT/NWC (%)	*3%*	*9%*	*-9%*	*-2%*	*5%*	*4%*	*4%*	*10%*	*10%*	*n/a*	*2%*		4%	4%
Intangibles	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	n/a	0,0			
Tangibles	0,3	0,3	0,3	0,3	0,3	0,4	0,7	0,8	0,8	n/a	0,9			
Inventories	0,8	1,0	0,8	0,8	0,9	1,0	1,1	1,2	1,3	n/a	1,3			
Receivables	1,2	2,3	2,1	1,8	1,8	1,4	1,3	1,5	1,8	n/a	2,0			
Payables	0,5	0,6	0,3	0,5	0,5	0,4	0,4	0,6	0,8	n/a	0,8			
Invested capital	**2,8**	**4,2**	**3,6**	**3,4**	**3,6**	**3,3**	**3,5**	**4,1**	**4,7**	**0,0**	**5,0**	**5,9%**		

Note: ROCE = EBIT divided by invested capital, ROIC = NOPAT divided by invested capital

Source: Valu8 (historical figures), Redeye Research (calculation of metrics, table structuring)

Indutrade acquired Belman in early February 2026. The joint manufacturing company, headquartered in Esbjerg, Denmark, designs, manufactures, and sells customised expansion joints and bellows for a broad range of industrial applications. The company's products are used in various industries, including marine, process industry, and power generation. It has joined the business area Process, Energy & Water.

Danish companies do not need to disclose sales data, so we cannot make statements about Belman's top-line development. Its EBIT has grown from cDKK2m in 2014/15 to cDKK28m in 2024/25, representing a CAGR of c29%. Indutrade cited its annual sales as cDKK180m, indicating a gross margin of c49% and an EBIT margin of c16% based on reported profit figures. Median ROIC and ROCE of c42% and c56% in 2014/15-2024/25 is strong. While we have no cash flow data for Belman, working capital efficiency also seems strong at c88% in 2024/25, having improved markedly somewhat from a median of c71% in 2014/15-2024/25. Overall, we judge Belman to be an interesting addition to Indutrade's Process, Energy & Water BA.

Belman: Key financials for 2014/15-2024/25 (DKKm)

Belman (DKKm)	14/15	15/16	16/17	17/18	18/19	19/	/21	21/22	22/23	23/24	24/25	CAGR 15-25	Mean	Median
Net sales	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**		
Gross profit	45,8	36,7	43,6	47,9	67,3	76,5	63,6	67,8	91,6	90,4	88,9	6,9%		
EBIT	**2,2**	**-5,4**	**1,8**	**1,5**	**14,1**	**23,4**	**11,1**	**15,5**	**32,4**	**32,7**	**28,3**	**29,1%**		
NOPAT	1,6	-4,1	1,3	1,1	10,6	17,6	8,3	11,6	24,3	24,5	21,2			
Gross margin (%)	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*		n/a	n/a
EBIT margin (%)	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***	***n/a***		**n/a**	**n/a**
FCFF/EBIT (%)	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*		n/a	n/a
ROIC (%)	***8%***	***-22%***	***9%***	***6%***	***36%***	***88%***	***49%***	***42%***	***70%***	***70%***	***58%***		**38%**	**42%**
ROCE (%)	*11%*	*-30%*	*12%*	*7%*	*49%*	*118%*	*65%*	*56%*	*93%*	*93%*	*77%*		50%	56%
EBIT/NWC (%)	*17%*	*-40%*	*16%*	*9%*	*58%*	*159%*	*105%*	*71%*	*109%*	*107%*	*88%*		63%	71%
Intangibles	1,9	1,7	1,3	0,9	0,5	0,4	0,3	0,5	0,3	0,1	0,0			
Tangibles	4,3	3,1	3,0	2,7	4,2	4,8	6,3	5,2	4,7	4,4	4,4			
Inventories	14,0	12,5	13,1	13,1	13,1	14,6	14,6	19,6	19,5	21,8	21,3			
Receivables	13,3	13,9	10,4	21,7	21,4	12,3	12,3	15,5	16,7	14,1	17,6			
Payables	-14,0	-12,9	-12,5	-17,8	-10,3	-12,2	-16,3	-13,3	-6,6	-5,2	-6,7			
Invested capital	**19,5**	**18,3**	**15,4**	**20,6**	**29,0**	**19,9**	**17,1**	**27,5**	**34,7**	**35,2**	**36,6**	**6,5%**		

Note: ROCE = EBIT divided by invested capital, ROIC = NOPAT divided by invested capital

Source: Valu8 (historical figures), Redeye Research (calculation of metrics, table structuring)

Indutrade's total net debt/EBITDA (excluding IFRS 16 but including contingent considerations) has decreased slightly during 2025 from c1.3x at year-end 2024 to c1.2x at the end of Q4 2025. We judge Indutrade's financial M&A capacity remains substantial, and the new organisational structure seems to be yielding results as M&A activity has picked up significantly in H2 2025.

Read more about our take on Indutrade's Q4 report in our latest research update.

Indutrade: Key financials and M&A history

SEKm	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net sales	**3 197**	**3 486**	**3 822**	**4 516**	**5 673**	**6 778**	**6 271**	**6 745**	**7 994**	**8 384**	**8 831**	**9 746**	**11 881**	**12 955**	**14 847**	**16 848**	**18 411**	**19 217**	**21 715**	**27 016**	**31 835**	**32 544**	**32 229**
Net sales growth (%)	*3,9%*	*9,0%*	*9,6%*	*18,2%*	*25,6%*	*19,5%*	*-7,5%*	*7,6%*	*18,5%*	*4,9%*	*5,3%*	*10,4%*	*21,9%*	*9,0%*	*14,6%*	*13,5%*	*9,3%*	*4,4%*	*13,0%*	*24,4%*	*17,8%*	*2,2%*	*-1,0%*
Organic growth (%)	*0%*	*6%*	*4%*	*8%*	*14%*	*5%*	*-15%*	*3%*	*10%*	*1%*	*0%*	*0%*	*7%*	*2%*	*5%*	*4%*	*2%*	*0%*	*8%*	*12%*	*6%*	*-1%*	*-2%*
Acquired growth (%)	*4%*	*3%*	*5%*	*11%*	*12%*	*12%*	*3%*	*11%*	*12%*	*5%*	*6%*	*7%*	*12%*	*8%*	*9%*	*5%*	*5%*	*5%*	*7%*	*8%*	*7%*	*3%*	*3%*
FX effects/other (%)	*0%*	*0%*	*1%*	*-1%*	*0%*	*2%*	*5%*	*-6%*	*-3%*	*-1%*	*-1%*	*3%*	*3%*	*-1%*	*1%*	*4%*	*2%*	*-1%*	*-2%*	*4%*	*5%*	*0%*	*-2%*
EBITA	**229**	**264**	**333**	**460**	**650**	**820**	**594**	**703**	**917**	**905**	**990**	**1 134**	**1 427**	**1 484**	**1 613**	**2 087**	**2 330**	**2 615**	**3 202**	**4 098**	**4 769**	**4 689**	**4 446**
EBITA margin (%)	*7,2%*	*7,6%*	*8,7%*	*10,2%*	*11,5%*	*12,1%*	*9,5%*	*10,4%*	*11,5%*	*10,8%*	*11,2%*	*11,6%*	*12,0%*	*11,5%*	*10,9%*	*12,4%*	*12,7%*	*13,6%*	*14,7%*	*15,2%*	*15,0%*	*14,4%*	*13,8%*
EBITA growth (%)	*-3,8%*	*15,3%*	*26,1%*	*38,1%*	*41,3%*	*26,2%*	*-27,6%*	*18,4%*	*30,4%*	*-1,3%*	*9,4%*	*14,5%*	*25,8%*	*4,0%*	*8,7%*	*29,4%*	*11,6%*	*12,2%*	*22,4%*	*28,0%*	*16,4%*	*-1,7%*	*-5,2%*
Organic growth (%)	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*9%*	*22%*	*-6%*	*0%*	*0%*	*7%*	*-4%*	*-1%*	*15%*	*2%*	*7%*	*15%*	*14%*	*4%*	*-7%*	*-7%*
Acquired growth (%)	*nd*	*nd*	*6%*	*21%*	*14%*	*17%*	*1%*	*16%*	*13%*	*7%*	*10%*	*12%*	*15%*	*9%*	*10%*	*9%*	*8%*	*7%*	*9%*	*9%*	*8%*	*5%*	*4%*
FX effects/other (%)	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*-6%*	*-4%*	*-2%*	*-1%*	*3%*	*4%*	*-1%*	*0%*	*5%*	*2%*	*-2%*	*-2%*	*5%*	*4%*	*0%*	*-2%*
Net profit to parent	**115**	**168**	**222**	**300**	**419**	**510**	**341**	**407**	**540**	**569**	**587**	**704**	**893**	**936**	**1 029**	**1 367**	**1 482**	**1 669**	**2 095**	**2 682**	**2 865**	**2 749**	**2 560**
Net margin (%)	*3,6%*	*4,8%*	*5,8%*	*6,6%*	*7,4%*	*7,5%*	*5,4%*	*6,0%*	*6,8%*	*6,8%*	*6,6%*	*7,2%*	*7,5%*	*7,2%*	*6,9%*	*8,1%*	*8,0%*	*8,7%*	*9,6%*	*9,9%*	*9,0%*	*8,4%*	*7,9%*
Net profit growth (%)	*0,9%*	*46,1%*	*32,1%*	*35,1%*	*39,7%*	*21,7%*	*-33,1%*	*19,4%*	*32,7%*	*5,4%*	*3,2%*	*19,9%*	*26,8%*	*4,8%*	*9,9%*	*32,8%*	*8,4%*	*12,6%*	*25,5%*	*28,0%*	*6,8%*	*-4,0%*	*-6,9%*
Share count, year-end (m)*	360,0	360,0	360,0	360,0	360,0	360,0	360,0	360,0	360,0	360,0	360,0	360,0	360,0	360,0	362,4	362,6	362,6	363,6	364,2	364,3	364,3	364,3	364,3
EBITA/share	**0,64**	**0,73**	**0,93**	**1,28**	**1,81**	**2,28**	**1,65**	**1,95**	**2,55**	**2,51**	**2,75**	**3,15**	**3,96**	**4,12**	**4,45**	**5,76**	**6,43**	**7,19**	**8,79**	**11,25**	**13,09**	**12,87**	**12,20**
EPS	**0,32**	**0,47**	**0,62**	**0,83**	**1,16**	**1,42**	**0,95**	**1,13**	**1,50**	**1,58**	**1,63**	**1,96**	**2,48**	**2,60**	**2,84**	**3,77**	**4,09**	**4,59**	**5,75**	**7,36**	**7,86**	**7,55**	**7,03**
Net debt/EBITDA (x)	**1,1**	**1,0**	**1,1**	**1,0**	**0,9**	**1,5**	**1,6**	**2,0**	**1,6**	**2,3**	**2,1**	**1,9**	**1,8**	**2,2**	**2,1**	**1,7**	**2,1**	**1,5**	**1,4**	**1,8**	**1,4**	**1,4**	**1,4**
Interest coverage ratio (x)	10,7	16,3	18,2	18,4	15,8	10,4	7,6	9,4	8,9	9,0	8,9	12,2	14,6	16,5	21,1	25,1	17,2	21,0	27,3	18,2	8,4	8,0	8,6
Number of acquisitions	**5**	**2**	**3**	**8**	**12**	**9**	**6**	**7**	**11**	**11**	**8**	**11**	**13**	**11**	**12**	**9**	**15**	**10**	**17**	**16**	**9**	**16**	**13**
Previous year sales	nd	nd	227	384	611	545	212	980	689	727	461	682	1 155	1 130	1 270	660	1 520	825	1 573	1 864	1 190	1 565	1 310
Previous sales/acq	na	na	76	48	51	61	35	140	63	66	58	62	89	103	106	73	101	83	93	117	132	98	101
Acquired sales**	nd	nd	206	385	598	567	151	710	719	722	448	736	1 109	1 166	1 196	652	1 428	771	1 694	1 806	1 171	1 598	1 357
Acquired EBITA**	nd	nd	24	65	74	76	18	119	79	126	73	124	148	163	126	99	201	136	307	271	171	278	232
EBITA margin (%)	*na*	*na*	*11,7%*	*16,9%*	*12,4%*	*13,4%*	*11,9%*	*16,8%*	*11,0%*	*17,5%*	*16,3%*	*16,8%*	*13,3%*	*14,0%*	*10,5%*	*15,2%*	*14,1%*	*17,6%*	*18,1%*	*15,0%*	*14,6%*	*17,4%*	*17,1%*
Acquired sales/acq	na	na	69	48	50	63	25	101	65	66	56	67	85	106	100	72	95	77	100	113	130	100	104
Acquired EBITA/acq	**na**	**na**	**8**	**8**	**6**	**8**	**3**	**17**	**7**	**11**	**9**	**11**	**11**	**15**	**11**	**11**	**13**	**14**	**18**	**17**	**19**	**17**	**18**
Net cash deployed on acq	**57**	**14**	**148**	**157**	**307**	**276**	**188**	**684**	**467**	**572**	**444**	**585**	**878**	**1 164**	**1 007**	**586**	**1 484**	**978**	**1 660**	**2 826**	**1 576**	**2 063**	**1 747**
CCs for previous acq	0	7	7	0	16	10	132	88	117	72	128	73	106	168	50	98	97	116	75	287	225	269	237
Purchase consideration***	68	7	145	157	291	266	56	596	350	519	335	512	774	996	957	566	1 415	908	1 592	2 541	1 351	1 808	1 528
Contingent consideration****	15	0	4	50	62	263	11	250	111	280	102	123	127	74	132	124	487	364	449	737	260	754	243
Total consideration	**83**	**7**	**149**	**207**	**353**	**529**	**67**	**846**	**461**	**799**	**437**	**635**	**901**	**1 070**	**1 089**	**690**	**1 902**	**1 272**	**2 041**	**3 278**	**1 611**	**2 562**	**1 771**
Contingent/total (%)	18%	0%	3%	24%	18%	50%	16%	30%	24%	35%	23%	19%	14%	7%	12%	18%	26%	29%	22%	22%	16%	29%	14%
Sales multiple initial***** (x)	na	na	0,7	0,4	0,5	0,5	0,4	0,8	0,5	0,7	0,7	0,7	0,7	0,9	0,8	0,9	1,0	1,2	0,9	1,4	1,2	1,1	1,1
EBITA multiple initial*** (x)**	**na**	**na**	**6,0**	**2,4**	**3,9**	**3,5**	**3,1**	**5,0**	**4,4**	**4,1**	**4,6**	**4,1**	**5,2**	**6,1**	**7,6**	**5,7**	**7,0**	**6,7**	**5,2**	**9,4**	**7,9**	**6,5**	**6,6**
Sales multiple total***** (x)	na	na	0,7	0,5	0,6	0,9	0,4	1,2	0,6	1,1	1,0	0,9	0,8	0,9	0,9	1,1	1,3	1,6	1,2	1,8	1,4	1,6	1,3
EBITA multiple total*** (x)**	**na**	**na**	**6,2**	**3,2**	**4,8**	**7,0**	**3,7**	**7,1**	**5,8**	**6,3**	**6,0**	**5,1**	**6,1**	**6,6**	**8,6**	**7,0**	**9,5**	**9,4**	**6,6**	**12,1**	**9,4**	**9,2**	**7,6**

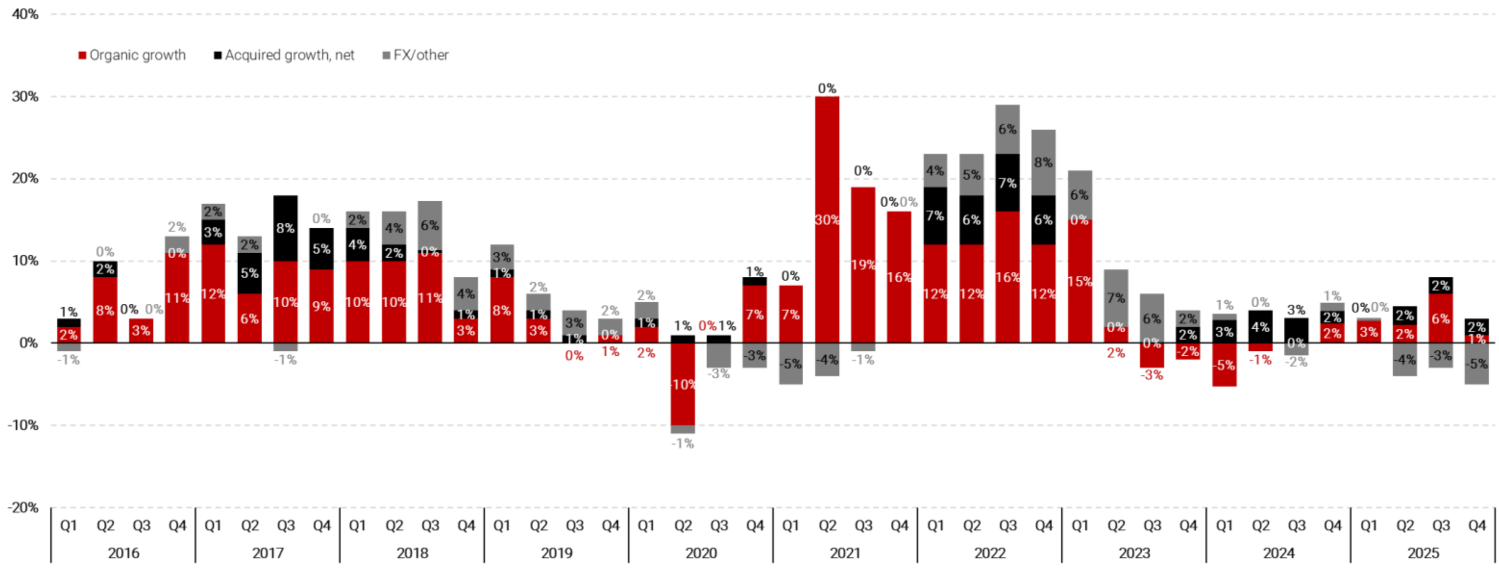
*Note: Net debt/EBITDA as reported by the company, *split-adjusted, **full-year pro-forma figures for acquired firms in the same year, Q1-Q4 2025 figures annualised, ***net of acquired cash, ****maximum possible outcome, *****based on full-year figures in acquisition year*

Source: Indutrade company filings (financial figures), Redeye Research (estimates, table structuring)

OEM International Q4 2025: Soft end to 2025, but M&A starting to contribute

OEM saw net sales decline from cSEK1,355m in Q4 2024 to cSEK1,327m in Q3 2025, representing growth of c-2% y/y (c1% organic, c2% acquired, c-5% FX) and missing our expectations by 8%. All business areas missed our projections with DK, NO, UK, IE, CEE having the largest deviation, 12% below our forecast. Order intake grew from cSEK1,307m in Q4 2024 to cSEK1,371m in Q4 2025, representing growth of c5% y/y (c3% organic, c2% acquired). Since OEM does not break out FX effects for organic order intake growth, we suspect that comparable units were even stronger. Order intake exceeded net sales this quarter, hinting at cautious optimism for 2026. FX headwinds will likely persist into late 2026e.

OEM International: Quarterly net sales growth in Q1 2016–Q4 2025 (%)



Note: Acquired growth net of divestments

Source: OEM International company filings (financial figures), Redeye Research (chart structuring)

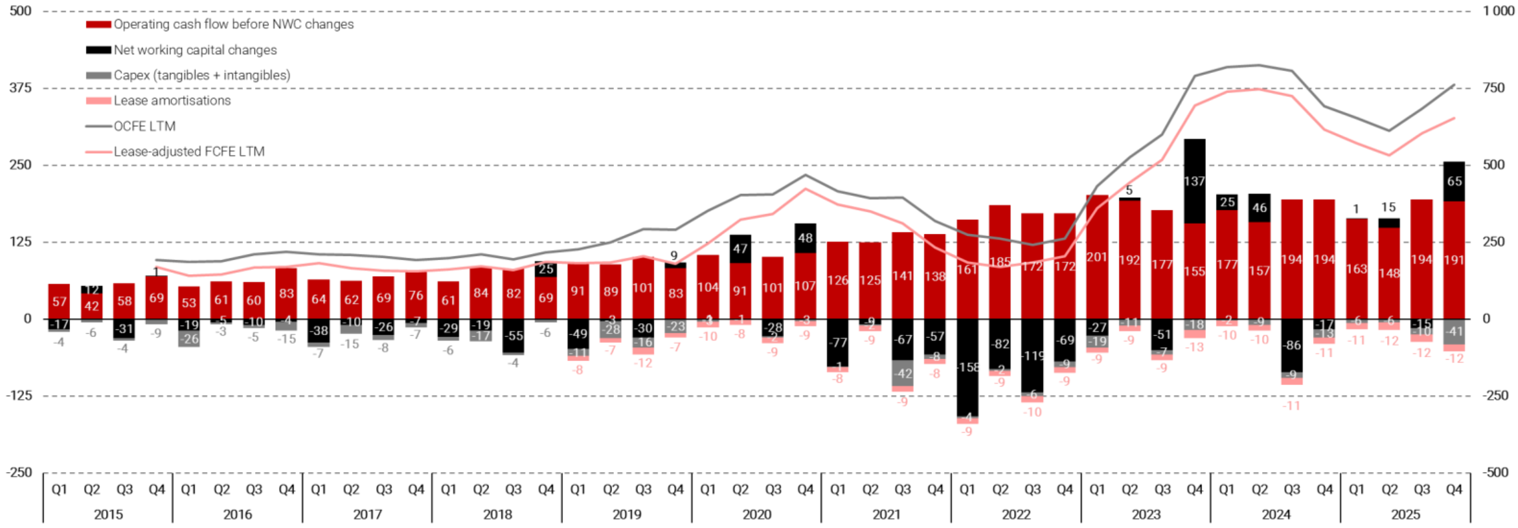
Adjusted EBITA decreased from cSEK206m in Q4 2024 to cSEK196m in Q4 2025, i.e., adjusted EBITA margin remained flat at c15%. This quarter's adjusted EBITA missed our estimate by c7%. Business area Sweden saw contracting EBITA margins by c1-2%-points y/y, to c17% in Q4 2025. DK, NO, UK, IE, CEEs, and Finland, Baltics & China saw EBITA margins relatively unchanged y/y at c13% and c11%, respectively. We view missing our EBITA forecast by less than sales as a positive, as it suggests strong cost control and a high gross margin.

Operating cash flow rose from cSEK177m in Q4 2024 to cSEK256m in Q4 2025, deriving from more favourable working capital changes. LTM lease-adjusted free cash flow to equity (FCFE) has increased from cSEK616m to cSEK652m over that period due to more favourable working capital changes. Overall, we judge that OEM maintains decent cash conversion and expect lease-adjusted FCFE growth to align with net income growth over time, subject to short-term fluctuations.

We reduced our 2026e net sales projection to cSEK5.8bn following the report and our adjusted EBITA estimate by c3% to cSEK937m. OEM's B share currently trades at cSEK134 and traded down throughout Q4, bottoming at cSEK120 on the day of the report. At current levels, we judge the market has started to price in some of OEM's expected ramp in M&A, featuring slightly lower multiples than key peers. Thus, we regard earnings growth as the primary driver for future share price appreciation, but see a small window for multiple expansion if they execute well.

We lowered our base case from SEK128 to SEK125 per share on the back of slight estimate downgrades. Our cautious base case remains moderately below the OEM's current B stock price of cSEK134, though higher-than-projected M&A might make our valuation appear conservative. OEM's B share trades at c17x EV/adjusted EBITA and c24x P/E on our 2026e estimates.

OEM International: operating cash flow (OCFE) and free cash flow to equity (FCFE) in Q1 2015-Q4 2025 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: OEM International company filings (financial figures), Redeye Research (table structuring)

OEM International: Acquisitions story starting to materialise

OEM has announced three new acquisitions since our Q3 2025 update. Specifically, it acquired Multicomponent Norden (annual sales of cSEK120m) in Sweden, Motion29 (cSEK13m) in Wales, and CRE8 Systems (cSEK162m) in Norway. OEM has consolidated 4 acquisitions over the last four quarters, corresponding to annual sales of cSEK415m and an estimated growth contribution of c8%.

OEM International: Acquisitions in the last four quarters (tre nya, har data på två)

Company	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
Vierpool	2025-04-23	120	2,3%
Multicomponent Norden AB	2026-02-17	120	2,3%
Motion29	2026-02-02	13	0,2%
CRE8 Systems	2026-02-11	162	3,0%
Total		415	7,8%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of OEM International's LTM sales in the quarter when an acquisition occurred*

Source: OEM International (financial figures), Redeye Research (estimates, table structuring)

OEM acquired Multicomponent Norden in mid-February 2026. The company, headquartered in Mölndal, Sweden, is a distributor of electronic components to electronics and appliance manufacturers across several sectors. The customer offering consists of standardized and custom components from leading manufacturers, primarily based in Asia.

Multicomponent Norden has grown net sales from cSEK41m in 2015 to cSEK112m in 2025, representing a CAGR of c11%. EBIT margin contracted from c8% to c3% over that period, representing a CAGR of 1%. Note that the company has had a hard time since 2022, making it a bit of a turnaround story for OEM. Median ROIC and ROCE amounted to c39% and c52% in 2015-2025, dropping to c13% and c17% recently. Median EBIT/NWC equalled c53% over the past decade, decreasing to c17% in the company's most recent year. Overall, we judge that Multicomponent Norden has decent KPIs over the past decade, but the weaker years in recent years are worrisome as turnarounds usually take longer than expected.

Multicomponent Norden: Key financials for 2015–2025 (SEKm)

Multicomponent Norden (SEKm)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR 14-24	Mean	Median
Net sales	41,1	38,0	53,1	67,4	89,9	74,2	75,8	129,6	136,6	116,9	112,0	10,5%		
Gross profit	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a		
EBIT	3,3	3,8	4,4	6,2	5,3	4,4	7,1	14,0	9,5	7,3	3,5	0,7%		
NOPAT	2,5	2,9	3,3	4,6	4,0	3,3	5,3	10,5	7,1	5,5	2,6			
Gross margin (%)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a		n/a	n/a
EBIT margin (%)	8%	10%	8%	9%	6%	6%	9%	11%	7%	6%	3%		8%	8%
FCFF/EBIT (%)	na	na	na	na	na	na	na	na	na	na	na		na	na
ROIC (%)	31%	53%	39%	40%	39%	35%	37%	59%	46%	40%	13%		39%	39%
ROCE (%)	41%	71%	51%	54%	52%	46%	49%	79%	61%	54%	17%		52%	52%
EBIT/NWC (%)	41%	71%	52%	54%	53%	46%	49%	79%	61%	54%	17%		52%	53%
Intangibles	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0			
Tangibles	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,1	0,1	0,0	0,0			
Inventories	1,4	3,8	7,9	7,0	4,9	6,6	13,3	26,3	21,1	15,3	12,1			
Receivables	7,5	3,9	6,6	13,0	18,9	10,5	19,8	22,4	17,0	19,1	20,3			
Payables	-0,9	-2,3	-5,9	-8,4	-13,7	-7,6	-18,6	-30,9	-22,5	-20,9	-12,1			
Invested capital	8,1	5,4	8,6	11,6	10,1	9,5	14,5	17,8	15,6	13,5	20,3	9,6%		

Note: ROCE = EBIT divided by invested capital, ROIC = NOPAT divided by invested capital

Source: Valu8 (historical figures), Redeye Research (calculation of metrics, table structuring)

Motion29, headquartered in Blackwood, Wales, is a distributor in the industrial automation sector and has a strong product portfolio, particularly in safety and signalling solutions, which complements OEM Automatic UK's existing offering in the Sensors and Safety business area. The company has annual sales of cSEK13m according to OEM's press release, though we could not identify any public financials for this acquiree.

OEM acquired CRE8 Systems in mid-February 2026. The company, headquartered in Stavanger, Norway, develops and manufactures hydraulic power units and chemical injection systems for the oil, gas, and energy sectors.

CRE8 Systems has grown net sales from cNOK104m in 2014 to cNOK150m in 2024, representing a CAGR of c4%. EBIT margin expanded from c11% to c24% over that period, equal to an EBIT CAGR of 12%. Median ROIC and ROCE were c40% and c54%, respectively, in 2014-2024. Median EBIT/NWC equalled c54% over the past decade. Overall, we judge that CRE8 Systems has posted solid profitable growth over the past decade. We also consider its returns on capital as solid.

OEM's net cash position amounted to cSEK785m at the end of Q4 2025, providing plenty of financial M&A capacity. Increasing total net debt/EBITDA (excluding IFRS 16 but including contingent considerations) to 2.0x would provide OEM with cSEK2.4bn in M&A firepower.

CRE8 Systems: Key financials for 2014–2024 (NOKm)

CRE8 Systems (NOKm)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	CAGR 14-24	Mean	Median
Net sales	103,7	63,8	63,8	46,3	43,5	69,7	65,6	82,6	60,8	78,5	149,8	3,7%		
Gross profit	47,5	28,5	22,1	26,7	14,5	27,5	24,9	39,6	32,2	47,4	67,3	3,5%		
EBIT	11,8	5,2	10,3	3,8	1,1	8,7	4,4	16,3	6,8	21,5	36,2	11,8%		
NOPAT	8,9	3,9	7,7	2,8	0,8	6,5	3,3	12,2	5,1	16,1	27,1			
Gross margin (%)	46%	45%	35%	58%	33%	40%	38%	48%	53%	60%	45%		45%	45%
EBIT margin (%)	11%	8%	16%	8%	2%	12%	7%	20%	11%	27%	24%		13%	11%
FCFF/EBIT (%)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%		0%	0%
ROIC (%)	50%	14%	74%	55%	5%	37%	17%	49%	36%	63%	40%		40%	40%
ROCE (%)	67%	19%	99%	73%	6%	49%	23%	66%	48%	84%	54%		53%	54%
EBIT/NWC (%)	70%	19%	102%	77%	6%	50%	23%	66%	48%	85%	54%		55%	54%
Intangibles	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0			
Tangibles	0,8	0,5	0,3	0,2	0,3	0,3	0,2	0,2	0,1	0,2	0,2			
Inventories	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0			
Receivables	24,6	32,5	16,5	10,7	21,2	19,3	31,0	27,8	15,0	29,7	81,6			
Payables	-7,7	-5,6	-6,5	-5,8	-4,2	-2,0	-11,9	-3,2	-0,8	-4,4	-14,2			
Invested capital	17,7	27,4	10,4	5,1	17,3	17,7	19,3	24,8	14,3	25,5	67,6	14,3%		

Note: ROCE = EBIT divided by invested capital, ROIC = NOPAT divided by invested capital

Source: Valu8 (historical figures), Redeye Research (calculation of metrics, table structuring)

Read more about our take on OEM's Q4 report in our latest research update.

OEM International: Historical key financials and M&A

SEKm	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net sales	1 366	1 448	1 482	1 660	1 240	1 430	1 590	1 631	1 668	1 888	2 232	2 382	2 739	3 112	3 299	3 283	3 774	4 731	5 145	5 239	5 317
Net sales growth (%)	8,0%	6,0%	2,4%	12,0%	-20,0%	15,4%	11,1%	2,6%	2,3%	13,1%	18,2%	6,8%	15,0%	13,6%	6,0%	-0,5%	15,0%	25,4%	8,7%	1,8%	1,5%
Organic growth y/y (%)	13%	nd	-1%	5%	-28%	22%	8%	1%	1%	5%	6%	6%	9%	8%	3%	-1%	17%	12%	3%	-1%	3%
Acquired growth y/y (%)	-5%	nd	3%	7%	6%	0%	4%	4%	3%	4%	8%	0%	5%	2%	0%	0%	0%	7%	1%	3%	1%
FX/other y/y (%)	nd	nd	nd	nd	2%	-8%	-1%	-2%	-2%	4%	4%	1%	1%	4%	3%	1%	-2%	6%	5%	0%	-3%
Adjusted EBITA (Redeye)	110	126	126	151	85	149	185	173	171	195	241	270	300	338	385	418	589	764	811	795	784
Adjusted EBITA margin (%)	8,1%	8,7%	8,5%	9,1%	6,8%	10,4%	11,6%	10,6%	10,2%	10,3%	10,8%	11,3%	11,0%	10,9%	11,7%	12,7%	15,6%	16,2%	15,8%	15,2%	14,7%
Adjusted EBITA growth (%)	na	na	0,2%	20,2%	-43,9%	74,9%	24,6%	-6,4%	-1,3%	14,2%	23,6%	11,9%	11,3%	12,4%	13,9%	8,5%	41,1%	29,7%	6,1%	-2,0%	-1,3%
Net income to parent company	89	182	103	117	43	96	128	126	121	137	173	201	214	248	289	317	457	576	607	606	593
Share count, year-end (m)*	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0	139,0
EBITA/share	0,79	0,90	0,91	1,09	0,61	1,07	1,33	1,25	1,23	1,40	1,74	1,94	2,16	2,43	2,77	3,00	4,24	5,50	5,83	5,72	5,64
EPS	0,64	1,31	0,74	0,84	0,31	0,69	0,92	0,91	0,87	0,98	1,25	1,45	1,54	1,79	2,08	2,28	3,29	4,14	4,37	4,36	4,27
Net debt/EBITDA ex IFRS 16 (x)	-0,9	-1,7	-0,4	-0,4	-0,6	-0,6	-0,5	-0,4	-0,4	0,7	0,4	0,3	0,3	0,2	0,2	-0,7	-0,2	0,3	-0,2	-0,6	-1,0
Total net debt/EBITDA (x)	na	na	na	na	na	na	na	-0,3	-0,4	0,7	0,5	0,4	0,4	0,2	0,2	-0,7	-0,2	0,4	-0,1	-0,6	-0,9
Interest coverage ratio (x)	39,8	35,5	23,4	21,4	23,2	49,8	45,2	28,4	50,1	46,1	51,3	57,3	33,4	52,4	77,5	51,1	193,0	46,3	47,9	78,3	na
Number of acquisitions	1	1	3	2	2	1	5	4	0	5	3	2	2	1	2	1	1	1	3	0	1
Previous year sales**	40	25	131	122	20	30	106	72	na	111	149	66	88	18	20	37	5	205	194	na	120
Previous sales/acq	40	25	44	61	10	30	21	18	na	22	50	33	44	18	10	37	5	205	65	na	120
Net cash deployed on acq	9	-55	-18	64	0	6	30	16	12	36	36	31	38	14	11	26	1	132	95	34	108
CCs + minorities from prev acq***	nd	nd	nd	nd	nd	nd	nd	nd	12	2	7	7	4	5	6	9	5	2	27	34	36
Purchase consideration****	10	23	43	77	nd	7	30	17	na	36	32	26	28	10	12	17	2	134	69	na	74
Contingent consideration	0	0	8	17	nd	4	12	8	na	30	14	21	16	4	13	7	1	80	26	na	11
Total consideration	10	23	50	93	na	11	41	24	na	65	46	47	43	14	25	24	3	214	95	na	85
Contingent/total (%)	0%	0%	15%	18%	na	35%	28%	32%	na	45%	31%	45%	36%	29%	53%	29%	25%	37%	27%	na	13%
Sales multiple initial***** (x)	0,3	0,9	0,3	0,6	na	0,2	0,3	0,2	na	0,3	0,2	0,4	0,3	0,6	0,6	0,5	0,5	0,7	0,4	na	0,6
Sales multiple total**** (x)	0,3	0,9	0,4	0,8	na	0,4	0,4	0,3	na	0,6	0,3	0,7	0,5	0,8	1,2	0,6	0,6	1,0	0,5	na	0,7

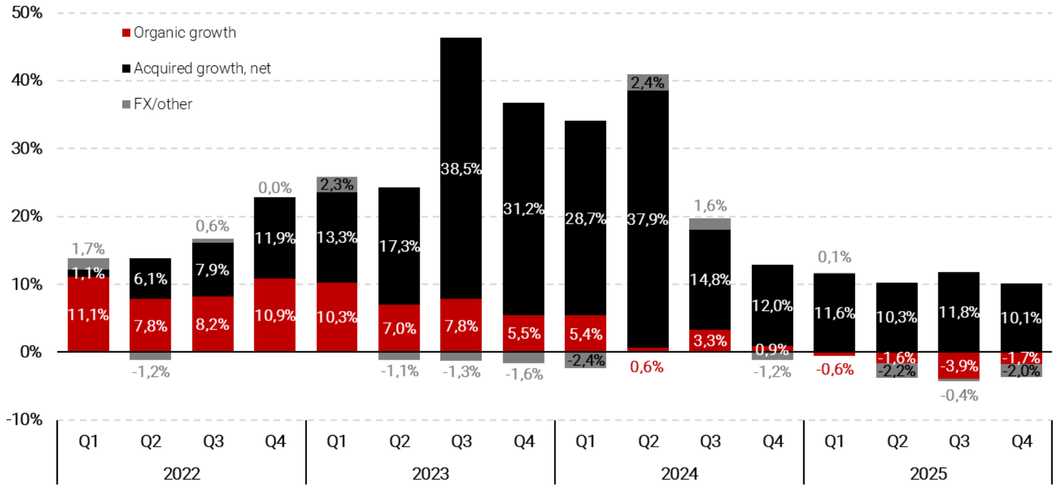
*Note: *split-adjusted, **Reported local currency figures converted to SEK using average exchange rate in year of acquisition if no SEK figure was disclosed, ***We could not always identify if and how much contingent considerations were settled in earlier years, ****Net of acquired cash, *****Based on disclosed prior-year or LTM sales*

Source: OEM International company filings (financial figures), Redeye Research (estimates, table structuring)

Momentum Group Q4 2025: Temporary hiccup

Momentum Group grew revenue from cSEK745m in Q4 2024 to cSEK792m in Q4 2025, representing growth of c6% y/y (c-2% organic, c10% acquired, c-2% FX/other) and missing our projection by c5%. Demand remained mixed across customer segments, and the company noted encouraging signs of stronger sales in Sweden and Finland to some extent, while Norway was stable. Denmark was impacted by weaker project sales. Organic growth of c-2% improved sequentially from c-4% in Q3 2025, though comparables were also easier (c1% versus c3%). M&A continued to offset soft organic growth.

Momentum Group: Quarterly net sales growth in Q1 2022-Q4 2025 (%)

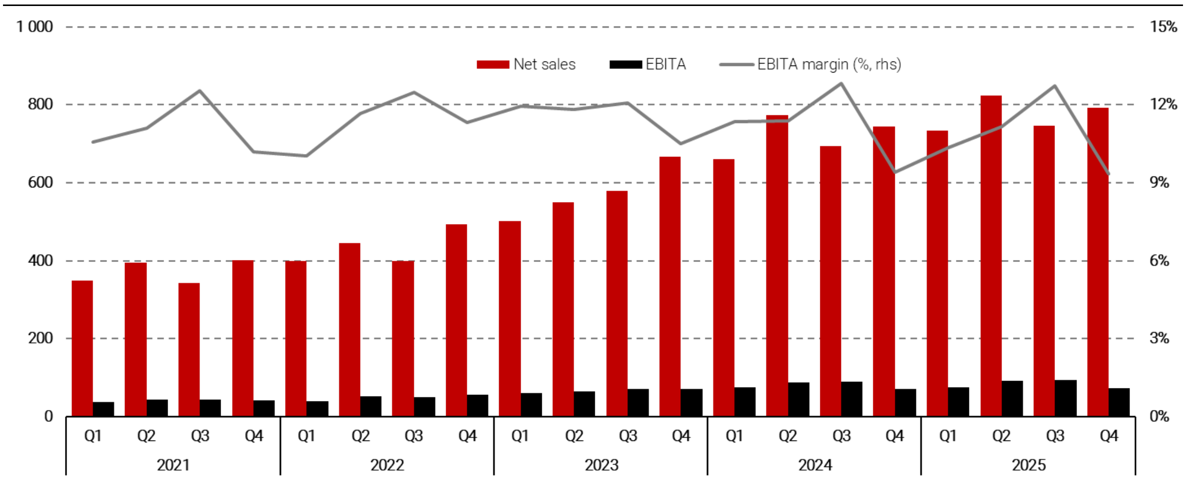


Note: Acquired growth net of divestments

Source: Momentum Group company filings (financial figures), Redeye Research (chart structuring)

EBITA rose from cSEK65m in Q4 2024 to cSEK74m in Q4 2025, i.e., EBITA margin remained roughly flat y/y at c9%. EBITA missed our estimate by c22%, where we were perhaps a little too optimistic on a swift recovery. Momentum successfully offset soft organic sales growth with cost adjustments, thereby protecting its profitability despite a cautious market climate. The company's decentralised organisation ensured that cost cuts occurred in subsidiaries experiencing softer demand, while firms that saw positive trends could seize growth opportunities. Negative organic growth resulted in the business area Industry's EBITA margin contracting by c1%-point y/y to c11%, while slight organic growth and M&A fuelled c2%-point margin expansion to c10% in Infrastructure.

Momentum Group: Net sales and EBITA development Q1 2021-Q4 2025 (SEKm)



Source: Momentum Group company filings (financial figures), Redeye Research (chart structuring)

Operating cash flow increased from cSEK109m in Q4 2024 to cSEK157m in Q4 2025, derived from higher earnings and more favourable working capital changes. Although it is positive to see cash flows being strong when organic growth is soft, we expect this trend to reverse in the coming quarters as Momentum sees gradually increasing demand and should have good prospects for returning to organic sales growth in 2026e.

We lowered our 2026e net sales by c3% to cSEK3.5bn after the report, while nudging down our EBITA projection by c5% to cSEK392m. Momentum Group's share traded down throughout Q4, bottoming on the morning after releasing its Q4 numbers at SEK121. Since then, it has gained some momentum and currently trades around to SEK130 mark. Given the recent weakness in the share price, we see a more favourable R/R situation now than at our last update.

Negative estimate changes were slightly offset by strong cash conversion, resulting in a new base case of SEK160 (170) per share, c25% above current trading levels. Momentum Group trades at c17x EV/EBITA and c26x P/E on our 2026e projections. Despite a moderation in Momentum's stock price since early 2025, we believe its multiples continue to reflect its high quality and long-term compounding potential. Thus, earnings growth will likely provide the primary driver of future share price appreciation.

Momentum Group: First acquisition of 2026 announced, room for more

Momentum Group has closed one new acquisition since our Q3 2025 update. Specifically, it acquired Höglandets Kompressorservice (annual sales of cSEK36m) The company has acquired cSEK344m in annual sales over the last 12 months, corresponding to an estimated growth contribution of c11%. We understand that its M&A pipeline remains decent, though we suspect that economic uncertainty currently prolongs certain processes.

Momentum Group: Acquisitions in the last four quarters

Company	Segment	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
Höglandets Kompressorservice	Infrastructure - Tech Sol	2026-02-05	36	1,2%
TTP Seals	Industry - Specialist	2025-05-27	36	1,2%
Håland Instrumentering	Infrastructure - Flow Tech	2025-04-16	130	4,3%
Avoma	Infrastructure - Tech Sol	2025-03-04	56	1,9%
Sulmu	Infrastructure - Flow Tech	2025-03-03	59	2,0%
Heinolan Hydrauliikkapalvelu	Industry - Specialist	2025-01-14	7	0,2%
HVT	Infrastructure - Flow Tech	2025-02-18	20	0,7%
Total			344	11,5%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Momentum Group's LTM sales in the quarter when an acquisition occurred*

Source: Momentum Group company filings (financial figures), Redeye Research (estimates, table structuring)

Momentum Group acquired Höglandets Kompressorservice in early February 2026. The company, headquartered in Nässjö, Sweden, is a specialist in industrial compressor technology. The acquisition strengthens Momentum's already strong position in compressor technology and expands its geographical presence.

Höglandets Kompressorservice has grown net sales from cSEK13m in fiscal 2013/2014 to cSEK36m in 2023/2024, representing a CAGR of c11%. EBIT margin expanded from c9% to c12% over that period, resulting in an EBIT CAGR of c14%. Median ROIC and ROCE of c29% and c39% in 2013/2014-2023/2024 are decent. However, the company's profitable growth has resulted in a marked improvement over time, with ROIC and ROCE recently reaching c65% and c86%, respectively. Similarly, the company's EBIT/NWC of c101% in 2024/2025 represents a considerable improvement versus a median of c74% over the last decade. Overall, we judge Höglandets Kompressorservice to be a solid bolt-on deal within Infrastructure, contributing c1% to sales on full year basis.

Höglandets Kompressorservice: Key financials for 2013/14–2023/24 (SEKm)

Höglandets Kompressorservice (SEKm)	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	2022/ 2023	2023/ 2024	CAGR 14-24	Mean	Median
Net sales	12,7	12,5	12,9	14,7	16,1	19,0	16,6	22,6	26,7	40,2	36,0	11,0%		
Gross profit	na	na	na	na	na	na	na	na	na	na	na	na		
EBIT	1,2	1,4	1,2	1,3	1,0	1,6	2,0	2,4	3,4	4,6	4,4	14,4%		
NOPAT	0,9	1,1	0,9	1,0	0,7	1,2	1,5	1,8	2,6	3,5	3,3			
Gross margin (%)	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*		na	na
EBIT margin (%)	*9%*	*11%*	*9%*	*9%*	*6%*	*8%*	*12%*	*11%*	*13%*	*11%*	*12%*		10%	11%
FCFF/EBIT (%)	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*		na	na
ROIC (%)	*25%*	*29%*	*26%*	*15%*	*8%*	*15%*	*52%*	*66%*	*72%*	*58%*	*65%*		39%	29%
ROCE (%)	*33%*	*39%*	*35%*	*20%*	*10%*	*20%*	*69%*	*89%*	*96%*	*78%*	*86%*		52%	39%
EBIT/NWC (%)	*48%*	*55%*	*52%*	*104%*	*30%*	*59%*	*74%*	*95%*	*110%*	*89%*	*101%*		74%	74%
Intangibles	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0			
Tangibles	1,1	1,1	1,1	5,4	6,2	5,1	0,2	0,2	0,5	0,7	0,7			
Inventories	1,8	1,7	1,5	1,5	1,7	1,7	1,7	1,6	2,9	3,2	3,0			
Receivables	1,3	1,3	1,5	1,9	2,4	3,1	1,8	1,9	2,6	3,8	2,7			
Payables	-0,7	-0,4	-0,7	-2,2	-0,9	-2,2	-0,8	-0,8	-2,3	-1,8	-1,3			
Invested capital	3,5	3,7	3,4	6,7	9,4	7,8	2,9	2,8	3,6	5,9	5,1	3,8%		

Note: ROCE = EBIT divided by invested capital, ROIC = NOPAT divided by invested capital, split fiscal year ending August

Source: Valu8 (historical figures), Redeye Research (calculation of metrics, table structuring)

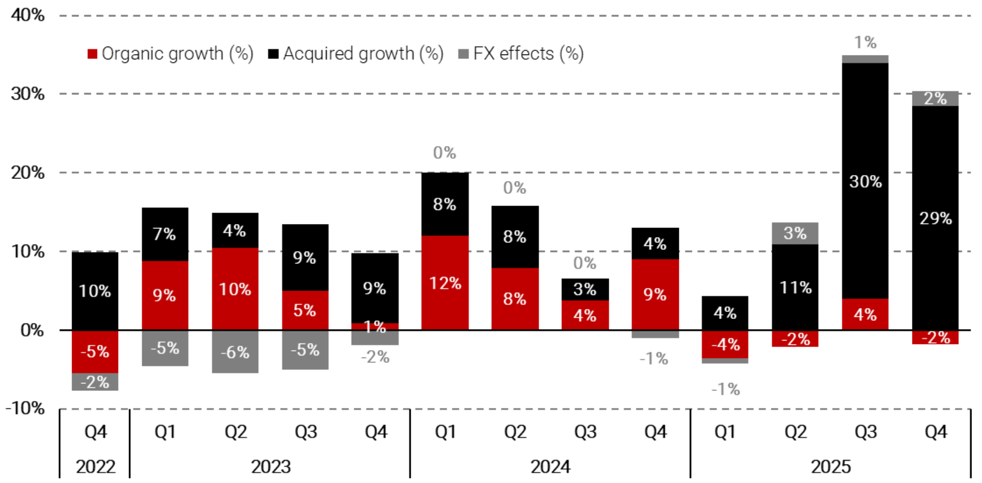
Momentum's total net debt/EBITDA (excluding IFRS 16 but including contingent considerations and put/call option liabilities) has risen from c1.2x at the end of 2024 to c1.4x at the end of Q4 2025. Net operating debt/EBITDA rose from c0.6x in Q4 2024 to c0.8x this quarter. Overall, we believe the company maintains moderate leverage, providing plenty of dry powder for further acquisitions.

Read more about our takes on Momentum's Q4 report in our latest research update.

Relais Group Q4 2025: Stable performance despite challenges

Relais grew net sales from cEUR91m in Q4 2024 to cEUR117m in Q4 2025, representing growth of c29% y/y (c-2% organic, c29% acquired, c2% FX) and missing our projection by c1%. Business area Repair and Maintenance posted organic growth of c-4% y/y (c7%) against tough comparables. Technical Wholesale and Products posted c-1% y/y (c1%), also against strong comparables. We pencil in organic growth of c3% in 2026, driven by a gradual recovery and easier comparables than in 2025.

Relais Group: Quarterly net sales growth in Q4 2022–Q4 2025 (%)

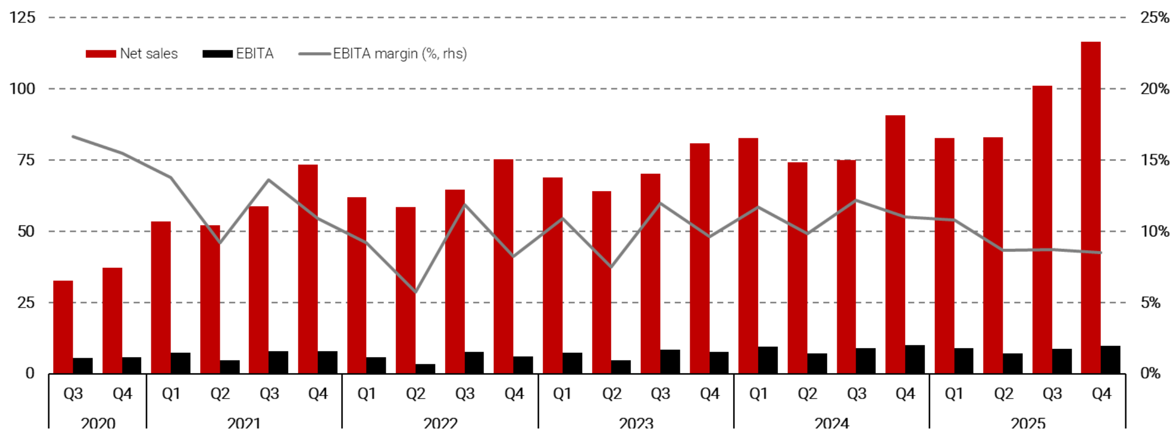


Note: Acquired growth net of divestments

Source: Relais Group company filings (financial figures), Redeye Research (chart structuring)

EBITA was roughly flat y/y at cEUR10m Q4 2025, i.e., EBITA margin contracted from c11% in Q4 2024 to c9% in Q3 2025. Relais sported cEUR1m in items affecting comparability this quarter (cEUR0m), mainly relating to acquisition-related inventory fair-value adjustments as part of Relais' recent acquisitions. Adjusting for these items would yield an EBITA of cEUR11m and an EBITA margin of c10%, aligning with what we pencilled in. We judge that a combination of operating leverage and growth of proprietary lighting products should support margin expansion, partly offset by recent Repair and Maintenance M&A.

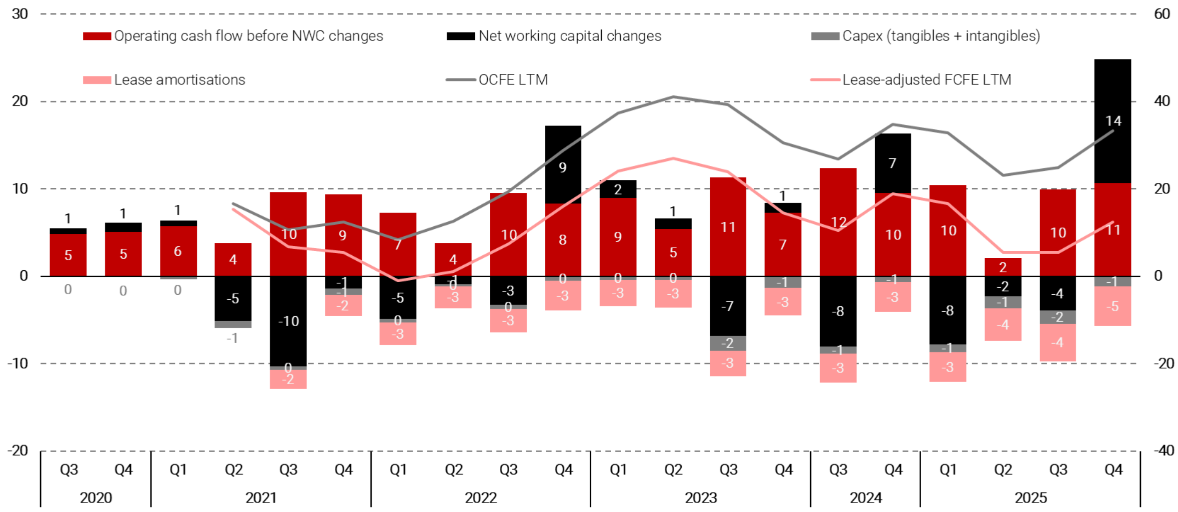
Relais Group: Net sales and EBITA development Q3 2020-Q4 2025 (EURm)



Source: Relais Group company filings (financial figures), Redeye Research (chart structuring)

Operating cash flow rose from cEUR17m in Q4 2024 to cEUR25m in Q4 2025 (adjusted for hybrid bond expenses), deriving primarily from more favourable working capital changes. LTM lease-adjusted free cash flow to equity (FCFE) has declined from cEUR19m to cEUR12m over that period, mainly relating to lower earnings, higher capex, and higher lease amortisation, partly offset by more favorable working capital changes. We expect working capital to build when Relais returns to organic growth in the coming quarters.

Relais Group: Operating cash flow (OCFE) and free cash flow to equity (FCFE) in Q3 2020-Q4 2025 (EURm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: Relais Group company filings (financial figures), Redeye Research (table structuring)

We maintained our 2026e net sales and reduced our EBITA forecast by 6% following the report. Driven by the Q4 deviations, slightly lower organic sales and a higher share of Repair and Maintenance sales. Relais' share traded up after Q3 figures, topping out at cEUR17 per share. However, the slide back to negative organic growth was not well received in Q4, with the share trading down to cEUR15 after the report. If the company can maintain solid margins and organic growth, we judge the share could benefit from both earnings and multiple expansion.

Minor estimate changes were offset by strong cash conversion, leaving our base case at EUR22 per share, which is moderately above the current stock price of cEUR15. Relais' share currently trades at an EV/EBITA of c10x and a P/E of c21x on our 2026e projections. When considering our cited P/E figures, note that we subtract hybrid bond expenses from net income.

Relais Group: Additional bolt-ons acquired

Relais has announced two new M&A deals since our Q3 2025 update. Specifically, it acquired Qpax (annual sales cSEK20m), and Landströms Bygg och Plåt I Gällivare (cSEK19m). In the near term, we expect mainly select add-on deals until the company's leverage decreases to more normalised levels. Relais has acquired cEUR109m in annual sales over the last four quarters, corresponding to an estimated growth contribution of c32%. Including the two deals that closed after quarter-end, acquired annual sales amount to cEUR113m (growth contribution c33%).

Relais Group: Acquisitions in the last four quarters

Company	Segment	Consolidated	Sales* (EURm)	Growth contribution (%, versus LTM)**
Team Verksted	Commercial Vehicle Repair & Maintenance	2025-06-10	65	19,6%
LVD	Technical Wholesale & Products	2025-06-10	10	3,1%
Autodelar Sweden AB	Technical Wholesale & Products	2025-07-01	3	0,7%
Matro Group	Technical Wholesale & Products	2025-07-02	19	5,2%
Two workshops from Wetteri Auto	Commercial Vehicle Repair & Maintenance	2025-10-01	10	2,9%
TJ Fordonsservice	Commercial Vehicle Repair & Maintenance	2025-11-01	3	0,8%
Qpax	Technical Wholesale & Products	2026-01-05	2	0,5%
Landströms Bygg & Plåt i Gällivare	Commercial Vehicle Repair & Maintenance	2026-02-02	2	0,5%
Total			113	33,2%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Relais Group's LTM sales in the quarter when an acquisition occurred*

Source: Relais Group (financial figures), Redeye Research (estimates, table structuring)

Relais' Swedish subsidiary Strands acquired a 70% stake in Qpax in late December 2025 (consolidated from early January). Qpax, headquartered in Färila, Sweden, designs and constructs lightweight aluminium bars for extra-light mounts for light commercial vehicles, further strengthening Strands' product offering.

Qpax has grown net sales from cSEK10m in 2014 to cSEK20m in 2024, representing a CAGR of c7%. EBIT margin expanded from c4% to c14% over that period, resulting in an EBIT CAGR of c22%. Median ROIC and ROCE of c19% and c26% in 2014-2024 seem decent. However, the company's profitable growth has resulted in a marked improvement over time, with ROIC and ROCE recently reaching c57% and c76%, respectively. Similarly, the company's EBIT/NWC of c78% in 2024 represents a considerable improvement versus a median of c27% over the last decade. Given recent improvements, we view Qpax as a solid bolt-on for Strands.

Qpax: Key financials for 2014–2024 (SEKm)

Qpax (SEKm)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	CAGR 14-24	Mean	Median
Net sales	9,9	9,3	9,5	9,3	9,8	10,1	9,1	10,6	11,6	16,2	19,6	7,1%		
Gross profit	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a		
EBIT	0,4	0,5	0,6	-0,1	0,5	0,6	1,0	0,5	0,8	2,1	2,7	21,5%		
NOPAT	0,3	0,4	0,5	-0,1	0,3	0,4	0,7	0,3	0,6	1,6	2,0			
Gross margin (%)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a		n/a	n/a
EBIT margin (%)	4%	5%	7%	-1%	5%	6%	11%	4%	7%	13%	14%		7%	6%
FCFF/EBIT (%)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%		0%	0%
ROIC (%)	14%	16%	20%	-4%	14%	19%	36%	17%	28%	45%	57%		24%	19%
ROCE (%)	18%	21%	26%	-5%	19%	26%	49%	23%	37%	60%	76%		32%	26%
EBIT/NWC (%)	19%	21%	27%	-5%	20%	27%	50%	24%	37%	60%	78%		32%	27%
Intangibles	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0			
Tangibles	0,1	0,0	0,1	0,1	0,1	0,1	0,0	0,0	0,0	0,0	0,1			
Inventories	2,0	2,0	2,2	1,8	1,9	1,6	1,5	1,5	1,6	1,8	1,9			
Receivables	0,6	1,0	0,8	1,1	1,3	1,0	1,0	1,2	1,4	2,9	2,5			
Payables	-0,6	-0,8	-0,7	-0,7	-0,9	-0,5	-0,5	-0,7	-0,8	-1,2	-0,9			
Invested capital	2,1	2,2	2,4	2,3	2,3	2,3	2,0	2,0	2,2	3,5	3,6	5,4%		

Note: ROCE = EBIT divided by invested capital, ROIC = NOPAT divided by invested capital, split fiscal year ending August

Source: Valu8 (historical figures), Redeye Research (calculation of metrics, table structuring)

Relais' Swedish subsidiary Team Verkstad acquired Landströms Bygg & Plåt i Gällivare in late December 2025 (consolidated from early February). The repair and maintenance company, headquartered in Gällivare, Sweden, provides damage repair services for trucks and other heavy commercial vehicles, strengthening Team Verkstad's position in the Northern part of Sweden.

Landströms Bygg & Plåt I Gällivare has grown net sales from cSEK9m in fiscal 2014/2015 to cSEK18m in 2024/2025, representing a CAGR of c8%. EBIT margin expanded from c19% to c33% over that period, resulting in an EBIT CAGR of c14%. Median ROIC and ROCE of c61% and c81% in 2014/2015-2024/2025 seem strong. The company's profitable growth has led to further improvement over time, with ROIC and ROCE recently reaching c79% and c105%, respectively. Similarly, the company's EBIT/NWC of c362% in 2024/2025 represents a considerable improvement versus a median of c196% over the last decade. We judge Landströms Bygg & Plåt i Gällivare to be a strong bolt-on deal for Team Verkstad.

Landströms Bygg & Plåt i Gällivare: Key financials for 2014/15–2024/25 (SEKm)

Landströms Bygg & Plåt (SEKm)	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	2022/ 2023	2023/ 2024	2024/ 2025	CAGR 14-24	Mean	Median
Net sales	8,6	8,8	9,3	9,0	17,2	17,6	21,7	22,9	21,0	18,9	18,1	7,7%		
Gross profit	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a		
EBIT	1,7	1,5	1,9	0,9	1,9	3,1	3,8	6,4	5,5	6,0	6,0	13,7%		
NOPAT	1,3	1,2	1,5	0,7	1,5	2,3	2,8	4,8	4,2	4,5	4,5			
Gross margin (%)	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*	*n/a*		n/a	n/a
EBIT margin (%)	***19%***	***17%***	***21%***	***10%***	***11%***	***17%***	***17%***	***28%***	***26%***	***32%***	***33%***		21%	19%
FCFF/EBIT (%)	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*		na	na
ROIC (%)	***20%***	***20%***	***23%***	***12%***	***20%***	***61%***	***82%***	***114%***	***86%***	***87%***	***79%***		55%	61%
ROCE (%)	*26%*	*27%*	*31%*	*16%*	*27%*	*81%*	*109%*	*152%*	*114%*	*116%*	*105%*		73%	81%
EBIT/NWC (%)	*196%*	*291%*	*141%*	*109%*	*68%*	*-768%*	*-534%*	*4353%*	*521%*	*347%*	*362%*		462%	196%
Intangibles	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0			
Tangibles	5,5	5,2	4,9	4,8	4,5	4,2	4,1	4,1	3,8	3,5	4,0			
Inventories	0,1	0,1	0,1	0,2	0,1	0,1	0,1	0,1	0,1	0,1	0,3			
Receivables	1,6	0,6	1,4	1,1	3,1	0,1	0,5	1,7	2,6	2,2	2,7			
Payables	-0,8	-0,2	-0,1	-0,4	-0,4	-0,6	-1,3	-1,6	-1,6	-0,5	-1,4			
Invested capital	6,3	5,7	6,3	5,6	7,3	3,8	3,4	4,3	4,8	5,2	5,7	-1,1%		

Note: ROCE = EBIT divided by invested capital, ROIC = NOPAT divided by invested capital, split fiscal year ending August

Source: Valu8 (historical figures), Redeye Research (calculation of metrics, table structuring)

Total net debt/EBITDA (excluding IFRS 16 and including contingent considerations, minorities, and hybrid bonds) has increased from c2.2x at the end of 2024 to c4.1x at the end of Q4 2025. We judge leverage, including hybrid bonds, is currently elevated. Thus, we expect Relais to feature somewhat lower M&A activity after an intense year-to-date deal flow, with internally generated cash flows reducing leverage over the coming quarters.

Read more about our takes on Relais' Q4 report in our latest research update.

Relais Group: Historical key financials and M&A

EURm	Jan-Dec 2016	Jan-Dec 2017	Jan-Dec 2018	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2024	Jan-Dec 2025
Net sales	59	60	72	99	129	238	261	284	323	383
Net sales growth (%)	*nd*	*2,6%*	*19,9%*	*36,6%*	*30,4%*	*84,4%*	*9,6%*	*9,0%*	*13,5%*	*18,8%*
Organic (%)	*10%*	*-1%*	*10%*	*nd*	*nd*	*nd*	*-4%*	*5%*	*8%*	*-1%*
Acquired (%)	*nd*	*3%*	*10%*	*nd*	*nd*	*nd*	*16%*	*8%*	*6%*	*21%*
FX (%)	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*-2%*	*-4%*	*-1%*	*1%*
EBITA	9	8	8	13	18	26	23	29	36	35
EBITA margin (%)	*14,5%*	*13,4%*	*11,6%*	*13,1%*	*14,2%*	*10,8%*	*8,8%*	*10,0%*	*11,2%*	*9,1%*
EBITA growth (%)	*nd*	*-5,3%*	*3,8%*	*54,6%*	*41,3%*	*40,3%*	*-10,5%*	*24,1%*	*26,5%*	*-3,3%*
Net income to parent company	2	4	3	0	13	14	10	14	19	15
Share count, year-end (m)	13,5	13,5	13,5	16,2	16,8	17,9	18,1	18,1	18,1	18,4
EBITA/share	0,63	0,60	0,62	0,80	1,09	1,43	1,27	1,57	1,99	1,89
EPS	0,15	0,28	0,23	0,02	0,78	0,80	0,55	0,76	1,02	0,84
Total net debt/EBITDA (x)	na	na	na	na	1,5	3,3	3,7	2,9	2,2	4,1
Net debt/EBITDA (x)	2,5	2,5	2,1	2,6	2,1	4,0	4,0	3,5	2,7	3,7
Net debt/EBITDA ex IFRS 16 (x)	2,5	2,5	2,1	2,6	1,5	3,1	3,6	2,9	2,2	2,6
Interest coverage ratio (x)	2,9	7,1	6,0	1,5	5,2	4,2	2,2	3,0	3,0	2,0
Number of acquisitions	0	1	0	1	2	5	2	3	2	5
Previous-year sales*	na	7	na	48	12	114	11	25	16	106
Previous-year EBIT(A)*	na	1	na	7	2	5	2	1	1	12
Previous sales/acq	na	7	na	48	6	23	5	8	8	21
EBIT(A)/acq	na	1	na	7	1	1	1	0	0	2
Net cash deployed on acq	0	5	1	65	9	53	15	4	5	49
CCs + minorities from prev acq**	nd	nd	nd	nd	nd	nd	3	2	0	0
Purchase consideration***	na	nd	na	65	14	65	12	7	5	86
Contingent consideration	na	nd	na	0	1	7	0	0	0	9
Total consideration	na	na	na	65	15	71	12	7	5	94
Contingent/total (%)	na	na	na	0%	6%	9%	0%	0%	0%	9%
Sales multiple initial**** (x)	na	na	na	1,4	1,2	0,6	1,2	0,3	0,3	0,8
EBIT(A) multiple initial**** (x)	na	na	na	8,8	6,3	13,6	5,6	4,4	6,0	7,0
Sales multiple total**** (x)	na	na	na	1,4	1,2	0,6	1,2	0,3	0,3	0,9
EBIT(A) multiple total**** (x)	na	na	na	8,8	6,7	15,0	5,6	4,4	6,0	7,7

*Note: *Reported local currency figures converted to EUR using average FX rate in acquisition year if no EUR figure was disclosed, **We could not always identify if/how much contingent considerations were settled, ***Net of acquired cash and including equity payments or assumed/settled debt, ****Based on disclosed prior-year or LTM sales*

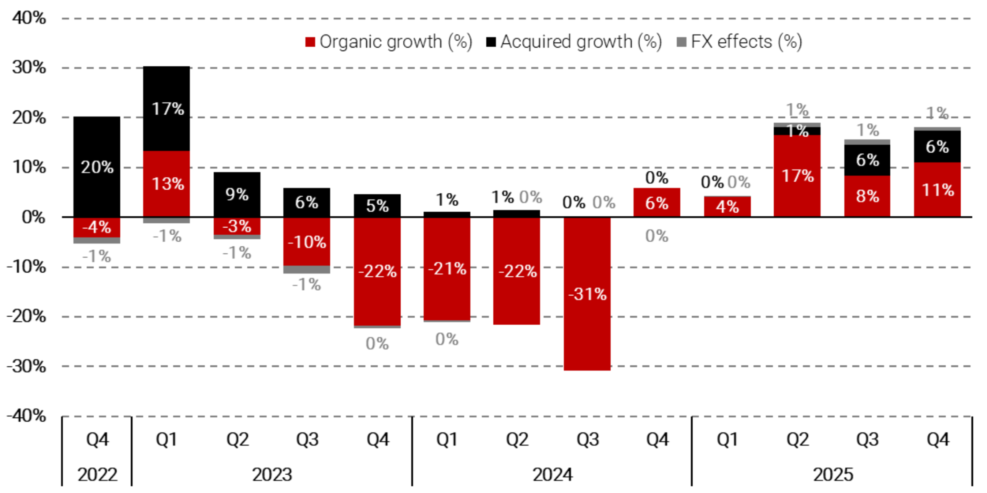
Source: Relais Group company filings (financial figures), Redeye Research (estimates, table structuring)

Boreo Q4 2025: Solid execution, optimistic outlook

Boreo grew net sales from cEUR39m in Q4 2024 to cEUR46m in Q4 2025, representing growth of c18% y/y (c11% organic, c6% acquired, c1% FX). We have been encouraged by the company's return to organic growth over the past five quarters, but the Q4 performance deserves extra praise as the comparables were considerably tougher.

We understand that demand for subsidiaries serving defence customers remained strong, while order books overall strengthened due to stronger demand from industrials. However, construction-exposed subsidiaries continue to face headwinds. We pencil in an economic recovery fuelling c8% organic expansion in 2026e. While an economic recovery appears to be finally underway, our short-term projections face some uncertainty. The recent resumption of Boreo's M&A agenda fuelled a return of acquired growth to decent levels.

Boreo: Quarterly net sales growth in Q4 2022–Q4 2025 (%)

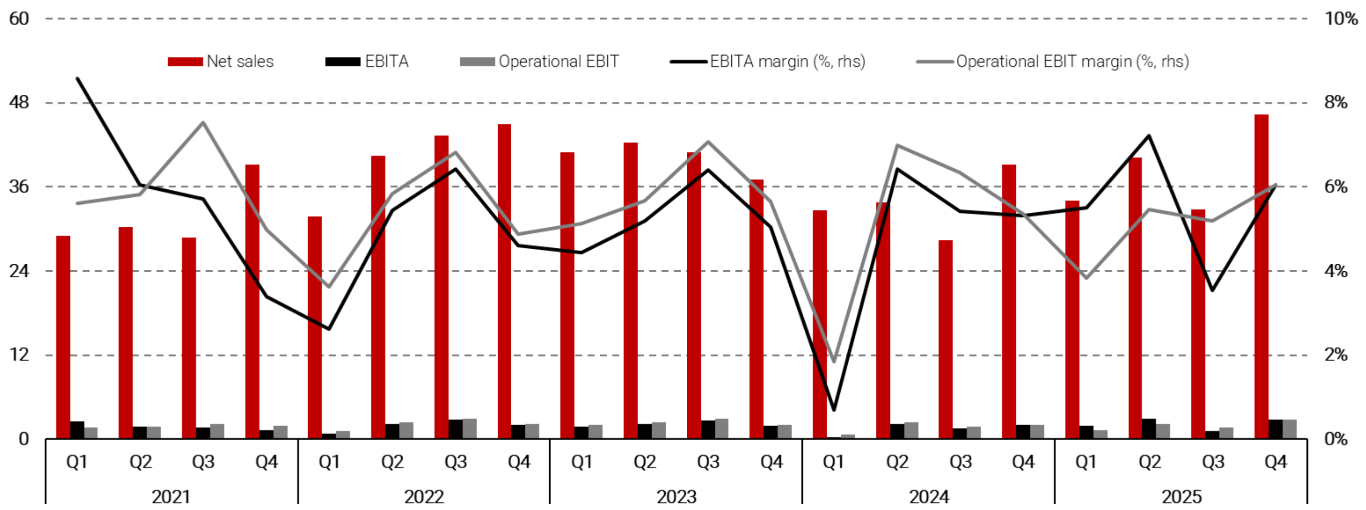


Note: Acquired growth net of divestments

Source: Boreo company filings (financial figures), Redeye Research (chart structuring)

EBITA increased from cEUR2m in Q4 2024 to cEUR3m in Q4 2025, i.e., EBITA margin strengthened from c5% to c6%. Operational EBIT increased from cEUR2.1m in Q4 2024 to cEUR2.8m in Q4 2025, i.e., operational EBIT margin strengthened from c5% to c6%. The improvement y/y was driven by a significant recovery in the Technical Trade business area, somewhat offset by a softer quarter in Electronics on tough comparables. We believe Boreo will realise solid operating leverage as a gradual economic recovery fuels continued organic growth. However, we expect stepwise improvements over time, given that several subsidiaries continue to face challenging market environments.

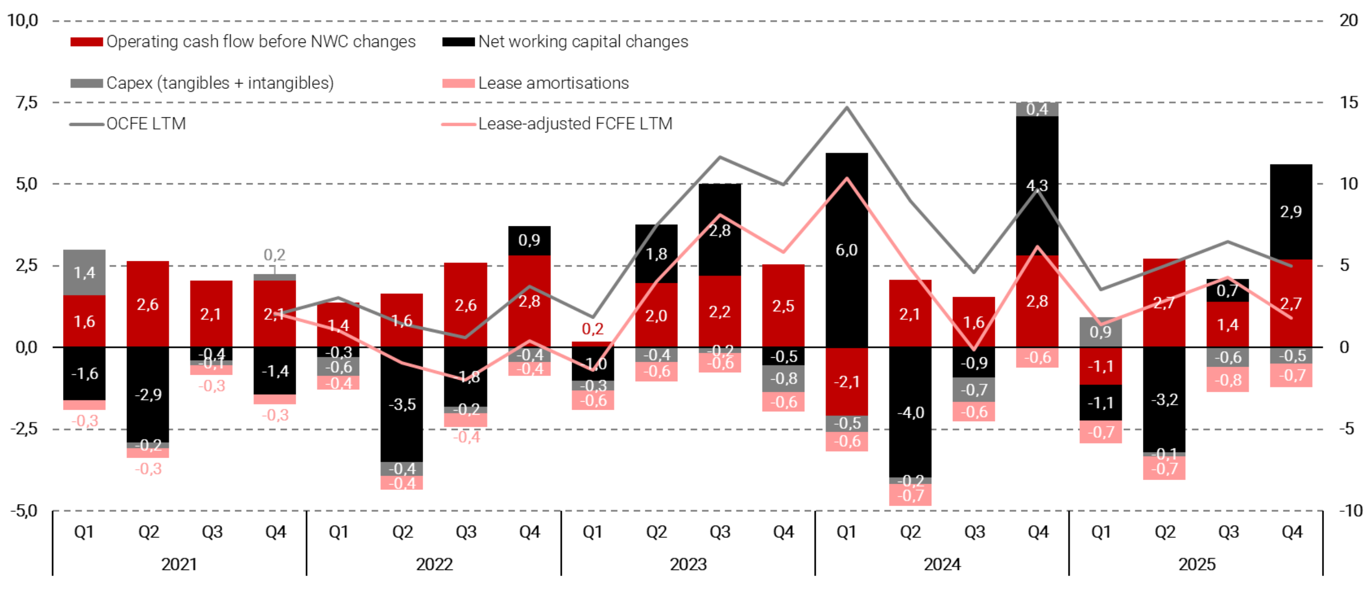
Boreo: Net sales, EBITA, and operational EBIT development Q1 2021-Q4 2025 (EURm)



Source: Boreo company filings (financial figures), Redeye Research (chart structuring)

Operating cash flow decreased from cEUR7m in Q4 2024 to cEUR6m in Q4 2025 (adjusted for hybrid bond expenses), primarily due to less favourable working capital changes. LTM lease-adjusted free cash flow to equity (FCFE) has declined from cEUR6m to cEUR2m over that period, mainly relating to less favourable working capital changes and higher lease amortisation, partly offset by lower capex. We expect cash flows to strengthen in Boreo's from an ongoing recovery in 2026e.

Boreo: Operating cash flow (OCFE) and free cash flow to equity (FCFE) in Q1 2021-Q4 2025 (EURm)



Note: OCFE = Net operating cash flow to equity, adjusted for hybrid bond expenses, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: Boreo company filings (financial figures), Redeye Research (table structuring)

Boreo's share currently trades at EV/EBITA of c11x and P/E of c33x on our 2026e projections. When considering our cited P/E figures, note that we adjust net income for hybrid bond expenses. Boreo's share has been roughly flat during Q4 up until the Q4 earnings release. The Q4 numbers were certainly well received, pushing the share from cEUR14 to over EUR20. While we think the report was a clear step in the right direction, we did not expect this strong of a reaction this early.

Our base-case fair value estimate is cEUR22 per share, providing a small upside to the current share price of cEUR21. However, note that, due to the company's relatively high gearing, we believe the common shares represent a derivative of the underlying company's performance. Further, consider that our valuation already accounts for dilution from Boreo's cEUR10m convertible hybrid bond (conversion price cEUR19 per share) and a projected opportunistic share issue.

After some trial and tribulations in Finland's recent economic downturn, we judge Boreo is set for renewed expansion. The company has refined its serial acquirer playbook and tightened its belt. We expect it to realise solid operating leverage as its organic rebound continues. Further, we project refined M&A criteria and a stricter quality focus, resulting in higher average subsidiary resilience over time.

Boreo: We expect lower M&A activity in the near term

Boreo has not announced any new M&A deals since we initiated coverage. In the near term, we expect mainly select add-on deals until the company's leverage decreases to more normalised levels. Boreo has acquired cEUR19m in annual sales over the last 12 months, corresponding to an estimated growth contribution of c13%.

Boreo: Acquisitions in the last four quarters

Company	Segment	Consolidated	Sales* (EURm)	Growth contribution (%, versus LTM)**
Spetselektroodi AS	Technical Trade	2025-05-08	4	2.5%
Elfa Distrelec's sales operations	Electronics	2025-08-01	15	10.3%
Total			19	12.8%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Boreo's LTM sales in the quarter when an acquisition occurred*

Source: Boreo (financial figures), Redeye Research (estimates, table structuring)

Total net debt/EBITDA (excluding IFRS 16 and including contingent considerations, minorities, and hybrid bonds) has decreased from c6.7x at the end of 2024 to c5.3x at the end of Q4 2025. We judge leverage, including hybrid bonds, is currently elevated. Thus, we expect Boreo to feature somewhat lower M&A activity in the coming quarters, with internally generated cash flows reducing leverage.

Read more about our takes on Boreo's Q4 report in our latest research update.

Boreo: Historical key financials and M&A

EURm	Jan-Dec 2021	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2024	Jan-Dec 2025
Net sales	122,0	160,4	161,3	134,0	153,3
Net sales growth (%)	*na*	*31,5%*	*0,6%*	*-16,9%*	*14,4%*
Organic (%)	*nd*	*11%*	*-7%*	*-18%*	*11%*
Acquired (%)	*nd*	*22%*	*9%*	*1%*	*4%*
FX (%)	*nd*	*-1%*	*-1%*	*0%*	*0%*
EBITA	7,0	8,0	8,5	6,2	8,5
EBITA margin (%)	*5,7%*	*5,0%*	*5,3%*	*4,6%*	*5,5%*
EBITA growth (%)	*na*	*14,7%*	*6,6%*	*-26,7%*	*36,4%*
Adjusted net income to parent	5,2	-1,0	1,0	-1,2	-1,1
Share count, year-end (m)	2,6	2,7	2,7	2,7	2,7
EBITA/share	2,66	2,96	3,15	2,31	3,15
EPS	1,99	-0,37	0,36	-0,46	-0,41
Total net debt/EBITDA (x)	4,8	5,2	5,7	6,7	5,3
Net debt/EBITDA (x)	4,7	3,0	3,2	3,3	2,3
Net debt/EBITDA ex IFRS 16 (x)	4,8	2,5	3,0	3,0	2,2
Number of acquisitions	4	9	3	0	2
Previous-year sales	29,5	21,6	6,9	na	18,6
Acquired sales	30,4	27,5	6,5	na	18,6
Acquired EBIT	2,2	3,7	1,6	na	1,5
Acquired sales/acq	7,6	3,1	2,2	na	9,3
Acquired EBIT/acq	0,6	0,4	0,5	na	0,8
Net cash deployed on acq	13,2	11,3	9,0	3,8	7,7
CCs + minorities from prev acq	0,2	0,2	1,2	3,8	0,3
Purchase consideration*	14,6	11,3	8,5	na	5,5
Contingent consideration	0,0	3,8	3,5	na	2,3
Total consideration	14,6	15,1	12,0	na	7,8
Contingent/total (%)	0%	25%	29%	na	29%
Sales multiple initial** (x)	0,5	0,4	1,3	na	0,3
EBIT(A) multiple initial** (x)	6,6	3,1	5,3	na	3,7
Sales multiple total** (x)	0,5	0,5	1,8	na	0,4
EBIT(A) multiple total** (x)	6,6	4,1	7,5	na	5,2

*Note: *net of acquired cash, **based on acquired sales and EBIT*

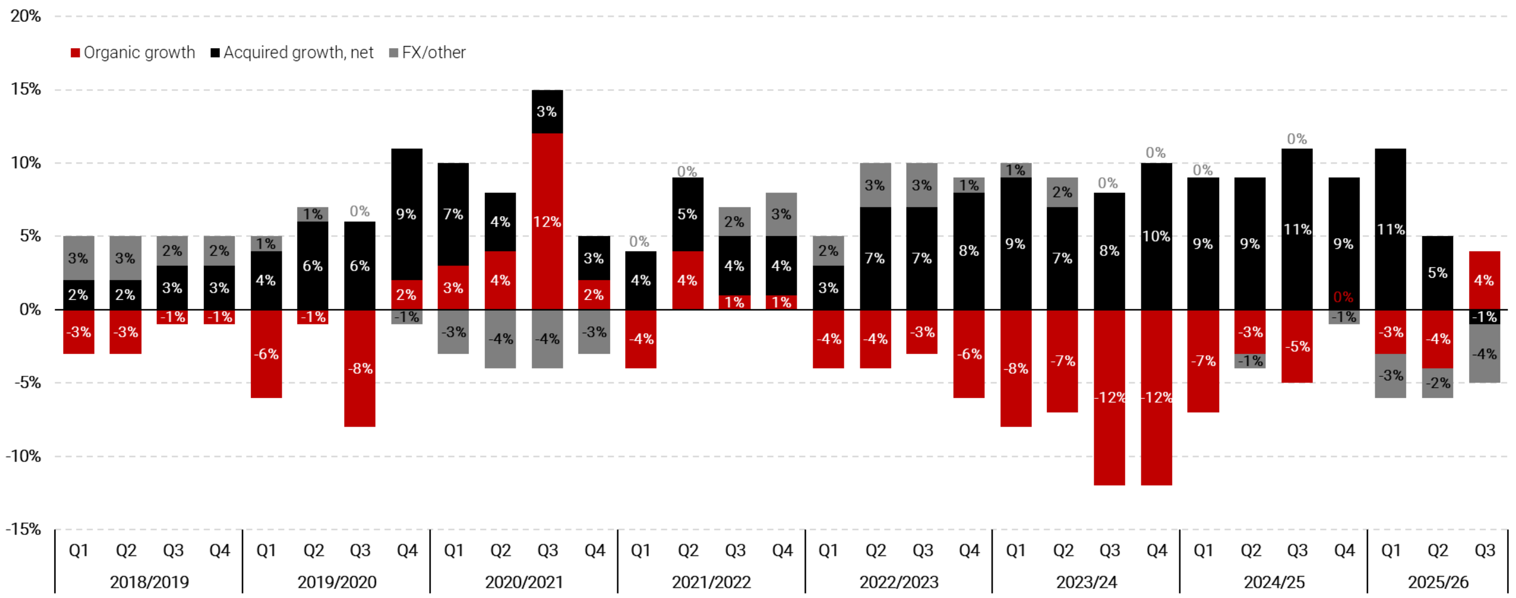
Source: Boreo company filings (financial figures), Redeye Research (estimates, table structuring)

Comments on select other niche acquirers

Bergman & Beving Q3 2025/2026: Organic growth is back on the menu

Bergman & Beving's revenues shrank marginally from cSEK1,264m in Q3 2024/2025 to cSEK1,257m in Q3 2025/2026 (split fiscal year ending March), representing growth of c-1% y/y (c4% organic, c-1% acquired, c-4% FX). The company's market situation is improving, and it reported organic growth for the first time in almost 4 years. Acquired growth decelerated this quarter, with recent divestments counteracting M&A. In addition to its recent divestment of Skydda's Nordic operations (annual sales cSEK550m, EBITA cSEK45m), Bergman & Beving also sold Luna's Baltic operations through a management buyout during Q2 (annual sales cSEK100m). Thus, acquired growth should face a headwind of cSEK160m per quarter in the coming reports, counteracted by higher-quality M&A.

Bergman & Beving: Quarterly net sales growth in Q1 2018/2019-Q3 2025/2026 (%)



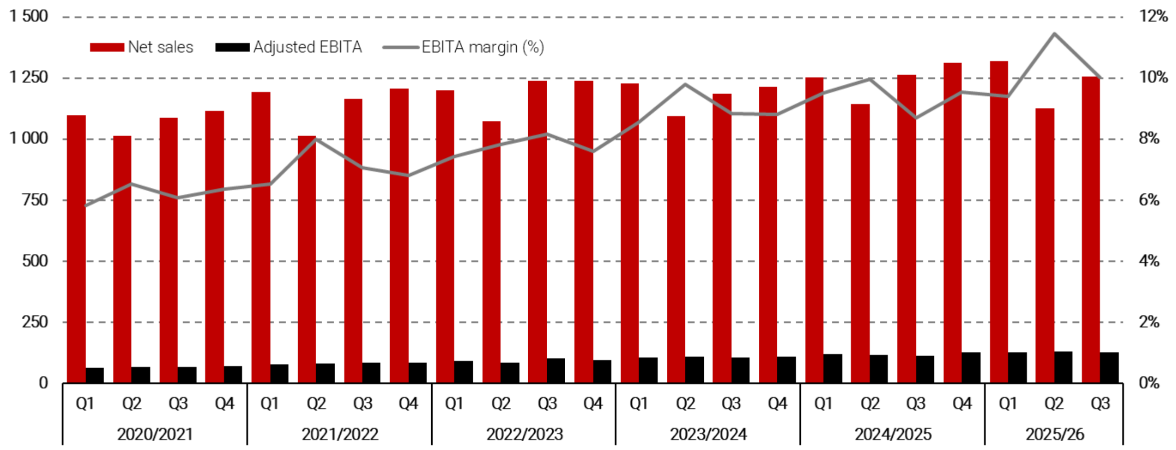
Note: Acquired growth net of divestments

Source: Bergman & Beving company filings (financial figures), Redeye Research (chart structuring)

Adjusted EBITA, as we calculate it, increased from cSEK1110m in Q2 2024/2025 to cSEK126m in Q3 2025/2026, i.e., adjusted EBITA margin nudged up from c10% to c11%, meaning underlying profitability continues to improve. A continued recovery in market demand would likely provide considerable support for Bergman & Beving's ambitions to expand margins. We judge that the company does as much as it can to strengthen profitability. Once organic sales growth returns, we believe currently struggling subsidiaries should realise solid operating leverage, driven by maintained gross margins and higher opex efficiency.

Bergman & Beving also introduced a new divisional structure to further strengthen its growth prospects. Core Solutions and Safety Technology will continue to be led by Mats Gullbrandsson and Eric Persson, while the new divisions, Machinery & Equipment and PPE & Utilities, will be led by Johan Cederstrand and Jan Lundmark, respectively. The former is a returnee to the group, and the latter has held leadership positions within Bergman & Beving for 20 years.

Bergman & Beving: Net sales and adjusted EBITA development Q1 2020/2021-Q3 2025/2026 (SEKm)

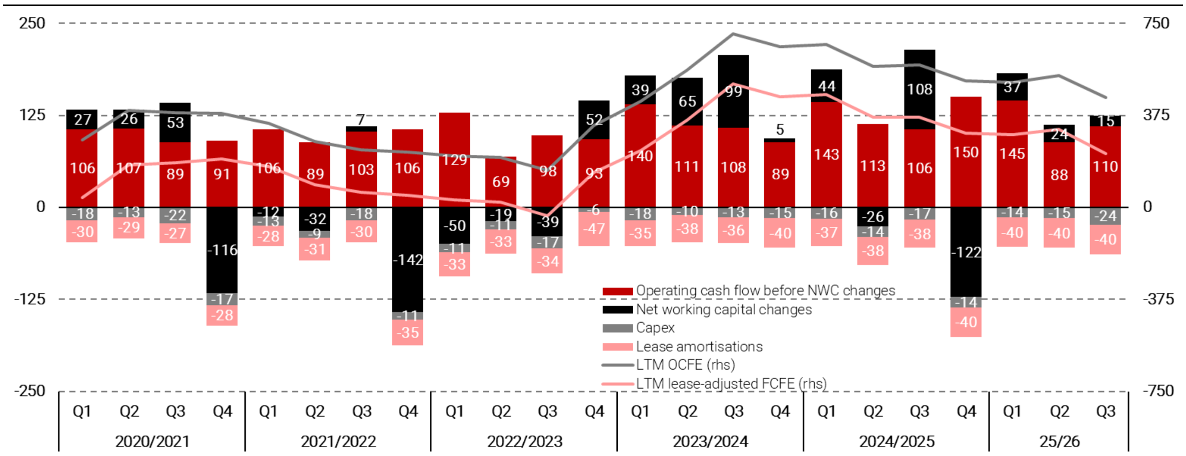


Note: EBITA adjusted for contingent consideration revaluations and one-offs related to recent divestments

Source: Bergman & Beving company filings (financial figures), Redeye Research (chart structuring)

Operating cash flow shrank from cSEK214m in Q3 2024/2025 to cSEK125m in Q3 2025/2026, deriving from less favourable working capital changes. LTM lease-adjusted free cash flow to equity (FCFE) dropped from cSEK367m to cSEK220m over that period, primarily deriving from less favourable working capital changes. A combination of weak organic growth and a focus on working capital efficiency continues to boost cash flows. However, we judge the primary driver of future FCFE growth will be profit expansion.

Bergman & Beving: OCFE and lease-adjusted FCFE in Q1 2020/21-Q3 2025/26 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: Bergman & Beving company filings (financial figures), Redeye Research (chart structuring)

Bergman & Beving's B share trades at c19-17x EV/EBITA and c37-29x P/E on 2025-2026e FactSet consensus figures. Trading in the shares was weak heading into the fiscal Q3 figures. The share then reacted positively to the quarterly numbers but has since given up those gains. The company's transition from a cyclical, low-margin group to a product-focused, higher-margin firm grinds on, though we judge there will not be any clear inflexion point. Instead, we expect a continued slow transformation, with recent years showing important steps in the right direction. Still, the share's current valuation seems to price in such a transition, anticipating an eventual recovery of market demand and higher average quality across subsidiaries. Thus, Bergman & Beving's shares do not appear undervalued, with earnings growth likely the primary driver of future share price appreciation.

Bergman & Beving: Striking a balance between acquisitions and divestments

Bergman & Beving has closed one M&A deal since our Q3 2025 update, acquiring A1 Shutters (annual sales cGBP9m). The company has acquired cSEK527m in annual sales over the last four quarters, corresponding to an estimated growth contribution of c11% and roughly offsetting cSEK650m in annual sales from recent divestees.

Bergman & Beving: Acquisitions in the last four quarters

Company	Segment	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
A1 Shutters	Safety Technology	2026-02-02	110	2,2%
DataLase	Safety Technology	2025-11-03	52	1,0%
Modus Gauges	Safety Technology	2025-10-01	25	0,5%
Donut Safety Systems	Safety Technology	2025-08-01	40	0,8%
H C Coils	Core Solutions	2025-07-15	135	2,7%
Mann & Co	Industrial Equipment	2025-05-15	30	0,6%
Raintite Trading	Core Solutions	2025-04-16	90	1,8%
Ontec	Safety Technology	2025-04-04	45	0,9%
Total			527	10,5%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Bergman & Beving's LTM sales in the quarter when an acquisition occurred*

Source: Bergman & Beving company filings (financial figures), Redeye Research (estimates, table structuring)

A1 Shutters, headquartered in Bolton, the UK, is a leading UK supplier of certified fire curtains and fire shutters. This is another company in the niche segment of certified fire curtains, where Bergman & Beving already owns companies operating in Sweden and Norway. We could not find public financial data for this acquiree, though Bergman & Beving cite annual sales of cGBP9m and solid profitability.

Bergman & Beving's total net debt/EBITDA (excluding IFRS 16 and including pension liabilities, contingent considerations, and option liabilities) has risen from c3.8x at the end of 2024/2025 to c4.1x at the end of Q3 2025/2026. Operational net debt/EBITDA, as reported, currently stands at c2.6x, roughly in line with the company's financial target. We expect Bergman & Beving to continue acquiring firms at the same pace as in recent years, though leverage is likely to remain somewhat of a constraint. Still, we suspect Bergman & Beving prioritise high-quality acquisitions over reducing leverage in the near term. Renewed organic growth, boosting margins, would likely help reduce net leverage.

Bergman & Beving: Historical key M&A data

SEKm	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	Q1-Q3 25/26
Net sales	3 650	3 834	3 833	3 945	4 060	4 311	4 575	4 749	4 723	4 972	3 703
Net sales growth (%)	*nd*	*5,1%*	*0,0%*	*2,9%*	*2,9%*	*6,2%*	*6,1%*	*3,8%*	*-0,5%*	*5,3%*	*1,1%*
Organic growth (%)	*2%*	*3%*	*-8%*	*-2%*	*-3%*	*5%*	*0%*	*-4%*	*-10%*	*-4%*	*-1%*
Acquired growth (%)	*nd*	*2%*	*8%*	*2%*	*6%*	*4%*	*5%*	*6%*	*8%*	*9%*	*5%*
FX/other growth (%)	*nd*	*1%*	*0%*	*3%*	*0%*	*-3%*	*1%*	*2%*	*1%*	*0%*	*-3%*
EBITA	nd	260	224	249	208	271	331	382	438	485	362
EBITA margin (%)	*na*	*6,8%*	*5,8%*	*6,3%*	*5,1%*	*6,3%*	*7,2%*	*8,0%*	*9,3%*	*9,8%*	*9,8%*

SEKm	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	LTM
Number of acquisitions	0	1	2	3	5	5	5	5	6	6	7
Assessed annual sales*	na	74	225	87	274	94	115	334	450	385	410
Assessed annual sales/acq	na	74	113	29	55	19	23	67	75	64	59
Net cash deployed on acq	na	92	191	68	207	107	137	236	312	402	561
CCs for previous acq	na	0	2	0	0	32	6	3	8	57	7
Purchase consideration**	na	92	207	68	207	80	131	252	304	346	528
Contingent consideration***	na	6	0	3	44	5	9	125	147	105	157
Total consideration	na	98	207	71	251	85	140	377	451	451	685
Contingent/total (%)	na	6%	0%	4%	18%	6%	6%	33%	33%	23%	23%
Sales multiple initial (x)	na	1,2	0,9	0,8	0,8	0,9	1,1	0,8	0,7	0,9	1,3
Sales multiple total (x)	na	1,3	0,9	0,8	0,9	0,9	1,2	1,1	1,0	1,2	1,7

*Note: Per share items are split-adjusted, *reported local currency figures converted to SEK using average FX rate in acquisition year if the company did not disclose SEK figure, **net of acquired cash, ***maximum contingent consideration if disclosed and including minority interests if applicable*

Source: Bergman & Beving company filings (financial figures), Redeye Research (estimates, table structuring)

Bergman & Beving: Historical key financials and M&A

Number of acquisitions	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	LTM
New acquisitions	5	5	2	18	9	38	28	9	0	0	1	0	0	1	2	5	2	3	5	5	5	5	6	6	7
Increases in partly owned subs						6	3	3	5	0	1														
Assessed annual sales (SEKm)	155	130	552	800	770	1570	1420	295	na	na	25	na	na	nd	42	454	225	87	274	94	115	334	450	385	410
Annual sales/acquiree (SEKm)	31	26	276	44	86	41	51	33	na	na	25	na	na	na	21	91	113	29	55	19	23	67	75	64	59

Key financials (SEKm)	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Q1-Q3 25/26
Net sales	3 956	3 975	3 881	3 863	5 058	6 823	9 133	9 325	7 648	7 885	8 201	7 666	7 648	7 903	7 821	8 272	3 833	3 945	4 060	4 311	4 575	4 749	4 723	4 972	3 703
Net sales growth (%)	*5,5%*	*0,5%*	*-2,4%*	*-0,5%*	*30,9%*	*34,9%*	*33,9%*	*2,1%*	*-18,0%*	*3,1%*	*4,0%*	*-6,5%*	*-0,2%*	*3,3%*	*-1,0%*	*5,8%*	*0,0%*	*2,9%*	*2,9%*	*6,2%*	*6,1%*	*3,8%*	*-0,5%*	*5,3%*	*1,1%*
Organic growth (%)	*nd*	*0%*	*-2%*	*1%*	*10%*	*13%*	*12%*	*-7%*	*-19%*	*6%*	*5%*	*-6%*	*1%*	*4%*	*0%*	*0%*	*-8%*	*-2%*	*-3%*	*5%*	*0%*	*-4%*	*-10%*	*-4%*	*-1%*
Acquired growth (%)	*nd*	*0%*	*2%*	*-2%*	*19%*	*23%*	*21%*	*8%*	*0%*	*0%*	*0%*	*0%*	*0%*	*-2%*	*0%*	*5%*	*8%*	*2%*	*6%*	*4%*	*5%*	*6%*	*8%*	*9%*	*5%*
FX/other growth (%)	*nd*	*0%*	*-2%*	*0%*	*2%*	*-1%*	*1%*	*2%*	*1%*	*-3%*	*-1%*	*-1%*	*-2%*	*1%*	*-1%*	*1%*	*0%*	*3%*	*0%*	*-3%*	*1%*	*2%*	*1%*	*0%*	*-3%*
EBITA	169	179	159	234	321	454	693	517	273	359	426	309	341	450	486	327	224	249	208	271	331	382	438	485	362
EBITA margin (%)	*4,3%*	*4,5%*	*4,1%*	*6,0%*	*6,4%*	*6,7%*	*7,6%*	*5,5%*	*3,6%*	*4,6%*	*5,2%*	*4,0%*	*4,5%*	*5,7%*	*6,2%*	*4,0%*	*5,8%*	*6,3%*	*5,1%*	*6,3%*	*7,2%*	*8,0%*	*9,3%*	*9,8%*	*9,8%*
EBIT	146	154	129	198	306	443	674	511	261	347	409	289	340	450	486	323	216	236	189	247	298	339	372	129	275
EBIT margin (%)	*3,7%*	*3,9%*	*3,3%*	*5,1%*	*6,0%*	*6,5%*	*7,4%*	*5,5%*	*3,4%*	*4,4%*	*5,0%*	*3,8%*	*4,4%*	*5,7%*	*6,2%*	*3,9%*	*5,6%*	*6,0%*	*4,7%*	*5,7%*	*6,5%*	*7,1%*	*7,9%*	*2,6%*	*7,4%*
Net profit to parent company	91	95	79	198	207	288	421	285	134	194	227	222	214	306	362	237	158	169	116	164	200	207	191	-52	141

Key financials (SEKm)	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	LTM
EBITA/working capital (%)*	*20,6%*	*23,0%*	*19,2%*	*26,3%*	*32,2%*	*34,4%*	*38,3%*	*24,1%*	*13,9%*	*19,9%*	*21,4%*	*15,9%*	*18,7%*	*23,7%*	*25,6%*	*17,0%*	*14,1%*	*21,0%*	*16,3%*	*19,2%*	*20,9%*	*21,3%*	*25,6%*	*31,1%*	*32,4%*
EBIT/working capital (%)*	*17,8%*	*19,7%*	*15,5%*	*22,3%*	*30,7%*	*33,5%*	*37,3%*	*23,8%*	*13,3%*	*19,2%*	*20,6%*	*14,8%*	*18,7%*	*23,7%*	*25,6%*	*16,8%*	*13,6%*	*19,9%*	*14,9%*	*17,5%*	*18,9%*	*18,9%*	*21,7%*	*8,3%*	*7,1%*
Share count, year-end (m)	28,5	28,6	29,1	28,4	28,4	28,4	28,4	28,4	28,4	28,4	28,4	28,4	28,4	28,4	28,4	28,4	28,4	27,4	27,4	27,4	27,4	27,4	27,4	27,4	26,6
EBITA/share	5,9	6,3	5,5	8,2	11,3	16,0	24,4	18,2	9,6	12,6	15,0	10,9	12,0	15,8	17,1	11,5	7,9	9,1	7,6	9,9	12,1	13,9	16,0	17,7	19,1
EBIT/share	5,1	5,4	4,4	7,0	10,8	15,6	23,7	18,0	9,2	12,2	14,4	10,2	12,0	15,8	17,1	11,4	7,6	8,6	6,9	9,0	10,9	12,4	13,6	4,7	3,8
EPS	3,2	3,3	2,7	7,0	7,3	10,1	14,8	10,0	4,7	6,8	8,0	7,8	7,5	10,8	12,7	8,3	5,6	6,2	4,2	6,0	7,3	7,5	7,0	-1,9	-2,6
Interest-bearing net debt/EBITDA (x)	0,4	0,1	1,1	0,8	1,0	2,0	2,4	3,4	5,3	4,4	3,9	3,9	3,3	2,4	1,5	2,3	4,1	3,8	5,2	4,2	3,7	3,5	3,1	3,1	3,3
Operational net debt/EBITDA (x)	0,3	0,1	1,0	0,8	1,0	2,0	2,4	3,4	5,3	3,4	3,0	2,6	2,1	1,1	0,4	0,7	1,5	1,3	2,0	1,6	1,8	1,9	1,6	1,8	2,1
Interest coverage ratio (x)	6,6	5,5	8,7	8,7	12,2	9,5	7,3	4,1	3,5	4,9	4,3	3,6	5,6	9,3	19,7	13,3	7,2	9,0	4,6	6,3	7,2	4,5	3,0	1,2	0,9
Number of acquisitions**	5	5	2	18	9	38	28	9	0	0	1	0	0	1	2	5	2	3	5	5	5	5	6	6	7
Assessed annual sales***	155	130	552	800	770	1 570	1 420	295	na	na	25	na	na	nd	42	454	225	87	274	94	115	334	450	385	410
Assessed annual sales/acq	31	26	276	44	86	41	51	33	na	na	25	na	na	na	21	91	113	29	55	19	23	67	75	64	59
Net cash deployed on acq	43	4	217	90	227	591	752	288	43	58	-35	-375	-42	-99	-19	213	191	68	207	107	137	236	312	402	496

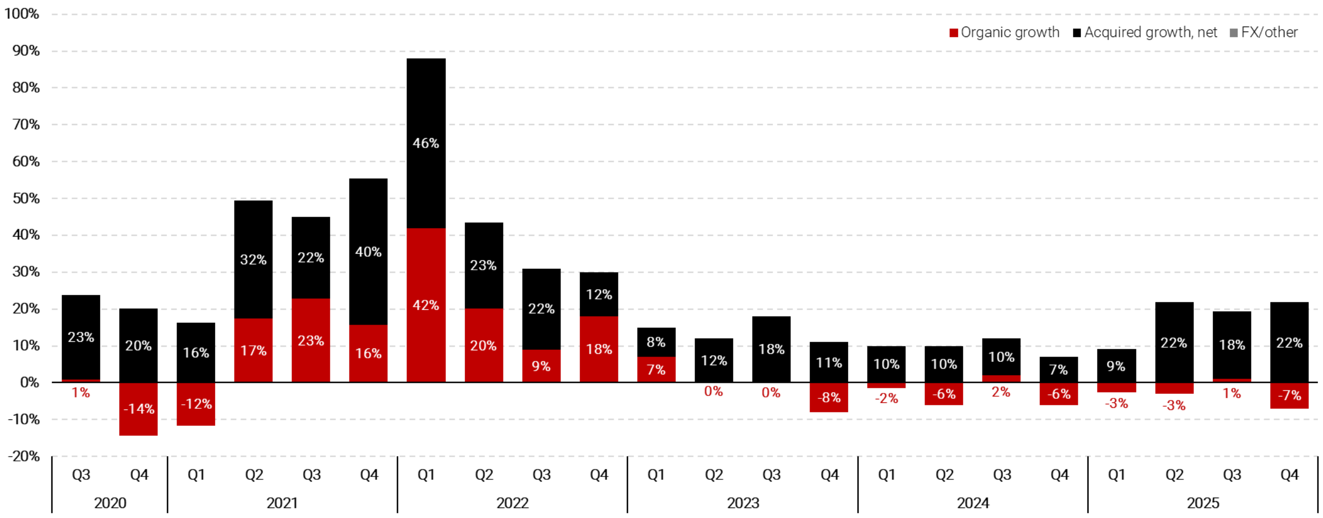
*Note: Per share items are split-adjusted, figures include Momentum Group until 2016/2017, *calculated using average working capital and reported EBITA/EBIT including one-off items, **disclosed new acquisitions, ***reported local currency figures converted to SEK using average FX rate in acquisition year if the company did not disclose SEK figure*

Source: Bergman & Beving company filings (financial figures), Redeye Research (estimates, table structuring)

Teqnion Q4 2025: Focus on profitability, question marks over organic growth

Teqnion's net sales increased from cSEK404m in Q4 2024 to cSEK464m in Q4 2025, representing growth of c15% y/y (c-7% organic, c22% acquired). A bit surprising, organic growth turned negative again, facing easy comparables (c-6%), as Teqnion seems to prioritise profitability over growth currently. We had hoped the situation would not be as dire; however, strong order intake in Q4 and a clear improvement in underlying profitability give hope for 2026. Prolific M&A activity in 2025 should keep acquired growth close to c20% in the coming quarters.

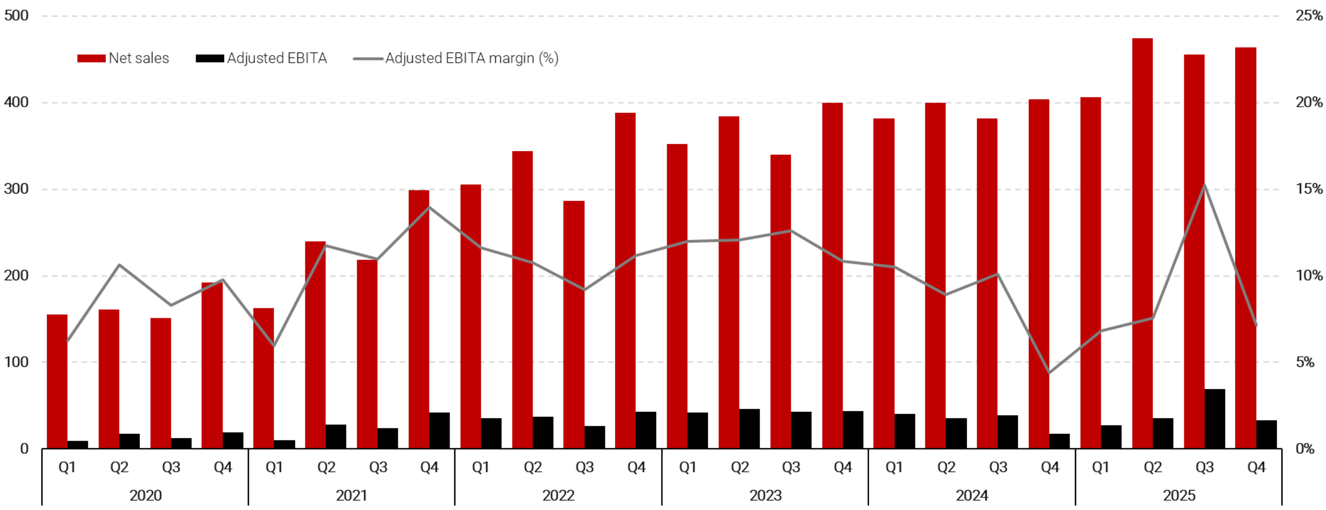
Teqnion: Quarterly net sales growth in Q3 2020-Q4 2025 (%)



Source: Teqnion company filings (financial figures), Redeye Research (chart structuring)

Adjusted EBITA rose from cSEK18m in Q4 2024 to cSEK38m in Q4 2025, i.e., adjusted EBITA margin expanded from c6% to c11%. We view this quarter's strong margin improvement as a positive after the dip between Q4'24 and Q2'25. We understand that both decreasing losses in underperforming units and new acquisitions contributed to margin expansion. This quarter's level is above what we gauged as normalised levels (low teens), though continued profitability metrics and new M&A could sustain operating margins at current levels.

Teqnion: Quarterly net sales and EBITA adjusted for contingent consideration revaluations Q1 2020-Q4 2025 (SEKm)



Source: Teqnion company filings (financial figures), Redeye Research (chart structuring)

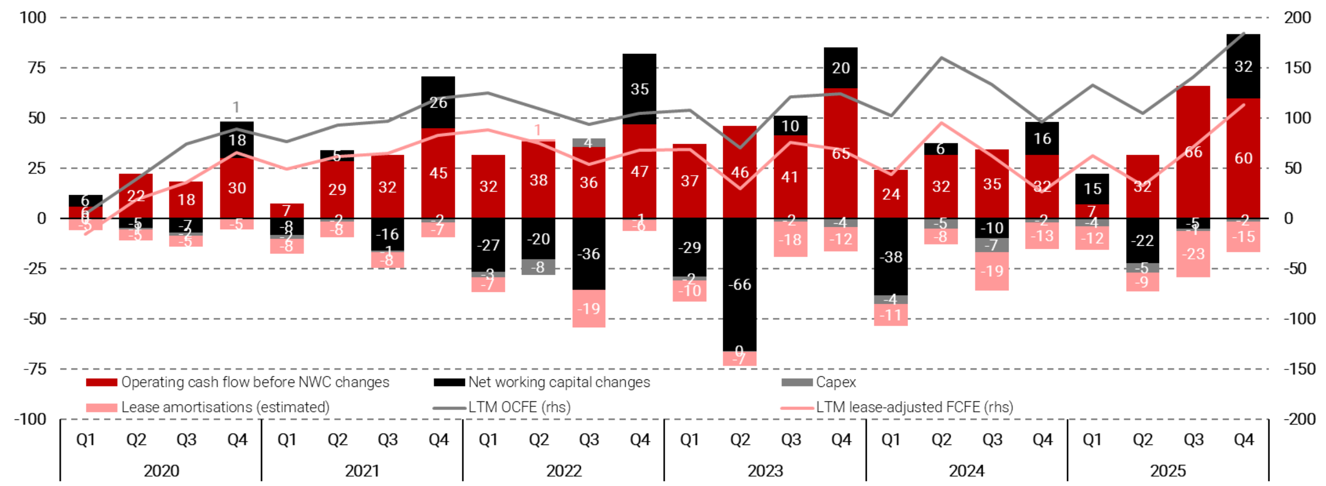
As a consequence, and learning from recent struggles, Teqnion has decided to divide the group into two business areas: Sweden and the UK, which will be reported separately from Q1'26 onwards. Teqnion hopes this will bring additional clarity on responsibility going forward.

Reward Catering has been a dragged-out ordeal for Teqnion, with news of the dispute over this acquiree's earn-out surfacing earlier this year. We understand that Teqnion assumed control of this subsidiary on 31 March 2025, after which its representatives discovered serious issues relating to unit certification that threaten the business' viability. Thus, the current directors have deemed it appropriate to apply to the High Court of Ireland for the appointment of provisional liquidators for the firm. We believe that Teqnion is far from the only serial acquirer to have had differences with sellers over potential earn-outs. However, the publicity of this dispute and the eventual discovery of serious issues with the business made this saga special.

Until the ongoing dispute/lawsuit concludes, we expect negative headlines on the topic to continue. Reward Catering became an expensive lesson for Teqnion. Even though it does not make a huge difference to the group's overall viability, we judge that its reputation as a serial acquirer has taken a hit, both with investors and, potentially, sellers. Nevertheless, we judge Teqnion has a fundamentally sound group of businesses and, after recent refinement, solid playbook to continue its acquired growth journey. Long-term investors might see an opportunity amidst the current turmoil, though the naysayers will likely remain vocal for the foreseeable future. We judge that, just as Teqnion was somewhat overhyped in 2023-early 2024, current pessimism about the company is likely overblown.

Operating cash flow rose from cSEK48m in Q4 2024 to cSEK92m in Q4 2025, deriving primarily from higher earnings. LTM lease-adjusted FCFE has risen from cSEK26m to cSEK113m over that period. We judge continued earnings growth, deriving from both organic expansion for high-performers and improvement measures for underperformers, should result in lease-adjusted FCFE reaching new heights in coming years.

Teqnion: Operating cash flow (OCFE) and free cash flow to equity (FCFE) in Q1 2020-Q4 2025 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: Teqnion company filings (financial figures), Redeye Research (chart structuring)

Teqnion currently trades at an LTM EV/adjusted EBITA of c19x and adjusted P/E of c41x, though we judge margins remain depressed (especially net margin due to the recent goodwill impairment – we only adjust for contingent consideration revaluations). Applying a normalised EBITA margin of c11% and net margin of c8% would result in EV/EBITA and P/E dropping to c16x and c19x, respectively (all else equal).

Thus, if Teqnion has indeed left the rather dark chapter of recent years behind and enters a brighter period in 2026e and beyond, we judge its share might well look cheap at current levels. While recent numbers reflect renewed earnings growth, rebuilding confidence among the broader investment public will likely take some years. Thus, we do not expect the company to return to the darling it once was in the near term. Still, consistent and successful execution over several years should eventually prove that Teqnion has learned from its mistakes and emerged stronger on the other side.

The share traded relatively neutral during Q4 figures, though the Q4 earnings release seems to have raised more doubts over the organic growth outlook than given the company credit for its profitability uplift, with shares sliding after the report. Given the somewhat undemanding valuation, we suspect additional weakness in the core group of companies will be needed to warrant a negative development from here.

Teqnion: M&A pace moderates in Q4 after an intense year

Teqnion has not closed any new M&A deals since our last update. The company has acquired cSEK405m in annual sales over the last 12 months, corresponding to an estimated growth contribution of c24%.

Teqnion: Acquisitions in the last four quarters

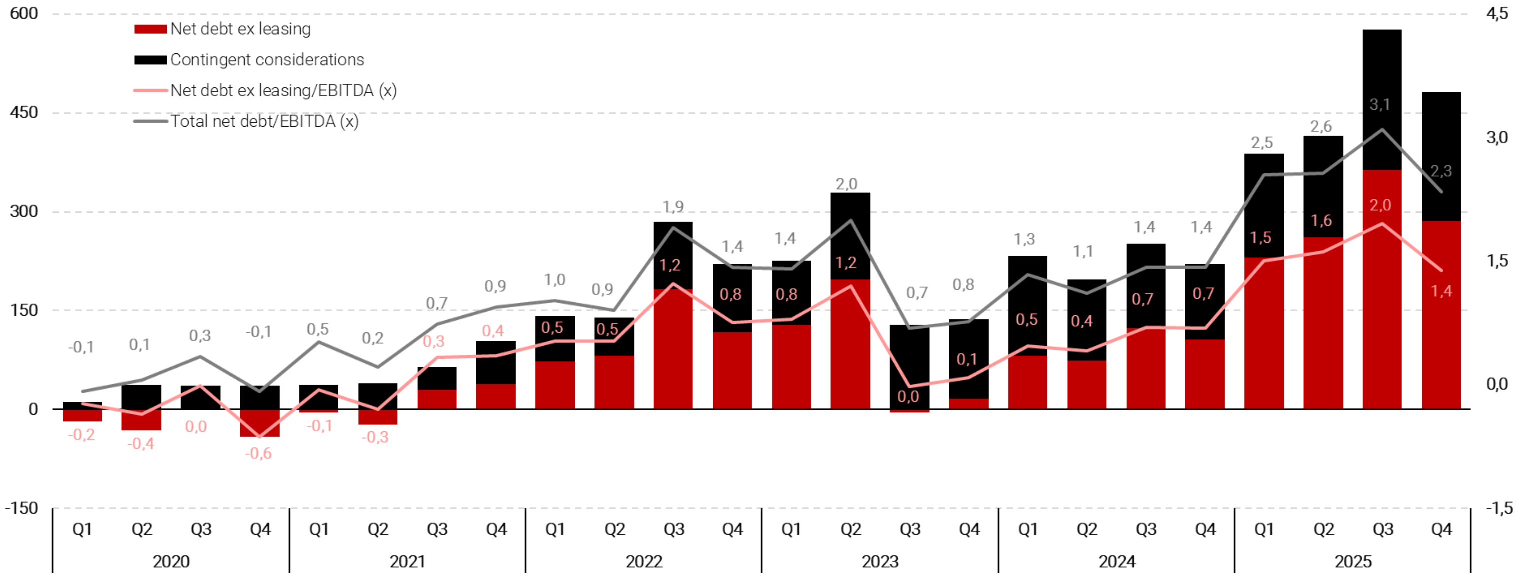
Company	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
HT Servo LTD	Sep 2025	60	3.4%
Birketts Bogmats Ltd	Sep 2025	70	4.0%
Norlin Polymers (UK) Ltd	May 2025	30	1.8%
MITAB i Forsbacka AB	Apr 2025	65	3.9%
Edurus Gravstenar AB	Mar 2025	45	2.8%
Thermasolutions International Ltd	Mar 2025	35	2.2%
Merridale Ltd	Feb 2025	35	2.2%
Awarded 2U Limited	Feb 2025	35	2.2%
Midland Special Fasteners Ltd	Feb 2025	30	1.9%
Total		405	24.5%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Teqnion's LTM sales in the quarter when an acquisition occurred*

Source: Teqnion company filings (financial figures), Redeye Research (estimates, table structuring)

Teqnion's total net debt/EBITDA (excluding IFRS 16 but including contingent considerations) has increased from c1.4x at the end of Q4 2024 to c2.3x in Q4 2025. However, recent acquisitions do not fully reflect in LTM earnings. Nevertheless, we judge the company's M&A pace will moderate somewhat if it sticks to its goal of keeping net debt/EBITDA below 2.5x (c2.0x currently, i.e., not including contingent considerations). Still, from an M&A perspective, we judge Teqnion has decisively turned the page, and we expect new acquisitions to be margin- and return-accretive over time.

Teqnion: Net debt ex leasing and total net debt in Q1 2020-Q4 2025 (SEKm)



Note: Net debt ex leasing = Liabilities to credit institutions less cash and cash equivalents; Total net debt = sum of net debt ex leasing and outstanding contingent considerations

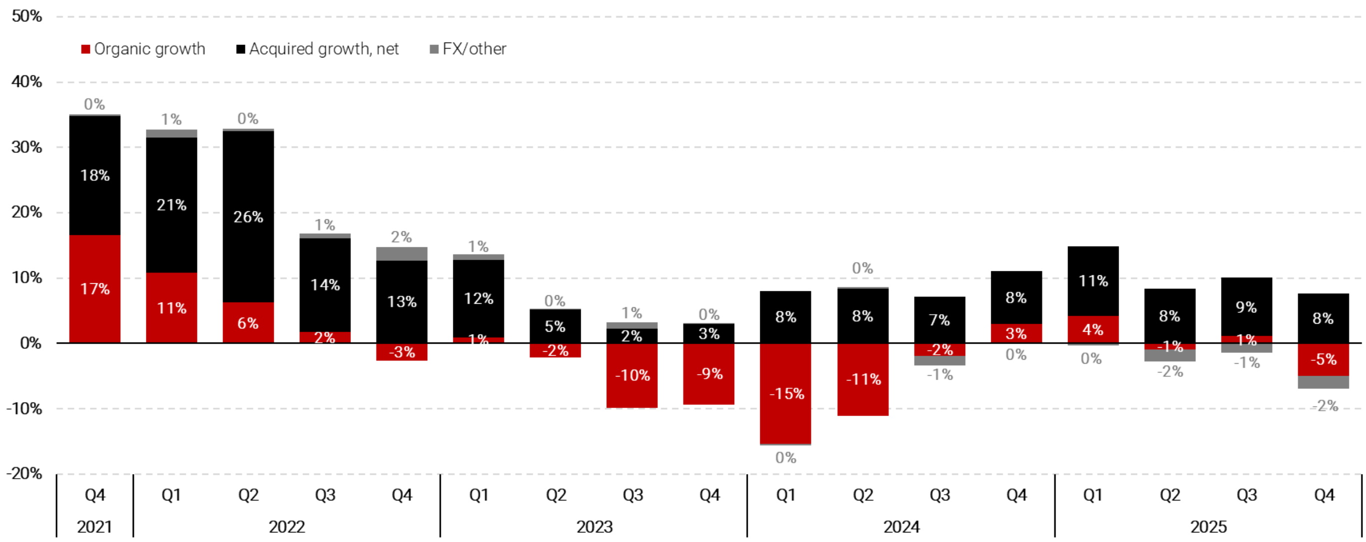
Source: Teqnion company filings (financial figures), Redeye Research (table structuring)

Volati Q4 2025: Still waiting for a recovery

Net sales grew from cSEK2,007m in Q4 2024 to cSEK2,020m in Q4 2025, representing growth of c1% y/y (c-5% organic, c8% acquired, c-2% FX). Business area Salix Group grew net sales by c7% y/y to cSEK957m, driven by M&A. We understand that demand for its subsidiaries has recently improved, including for construction-related businesses. Business area Ettiketto expanded its top line by c19% y/y to cSEK300m, driven by its acquisition of German Clever Etiketten earlier this year. We understand organic growth was slightly negative, as demand did not pick up meaningfully from the weaker Q3. Industry's sales contracted by c12% y/y to cSEK763m, driven by challenging market environments for several subsidiaries and tough comparables for Corroventa.

Overall, we believe that Volati's organic growth figures continue to reflect the considerable cyclicality of many of its subsidiaries. Organic growth slumped into negative territory on neutral comparables (c3% in Q4 2024), indicating that the gradual economic recovery we thought would finally provide cautious tailwinds for cyclical subsidiaries last quarter may again be called into question.

Volati: Quarterly net sales growth in Q4 2021-Q4 2025 (%)



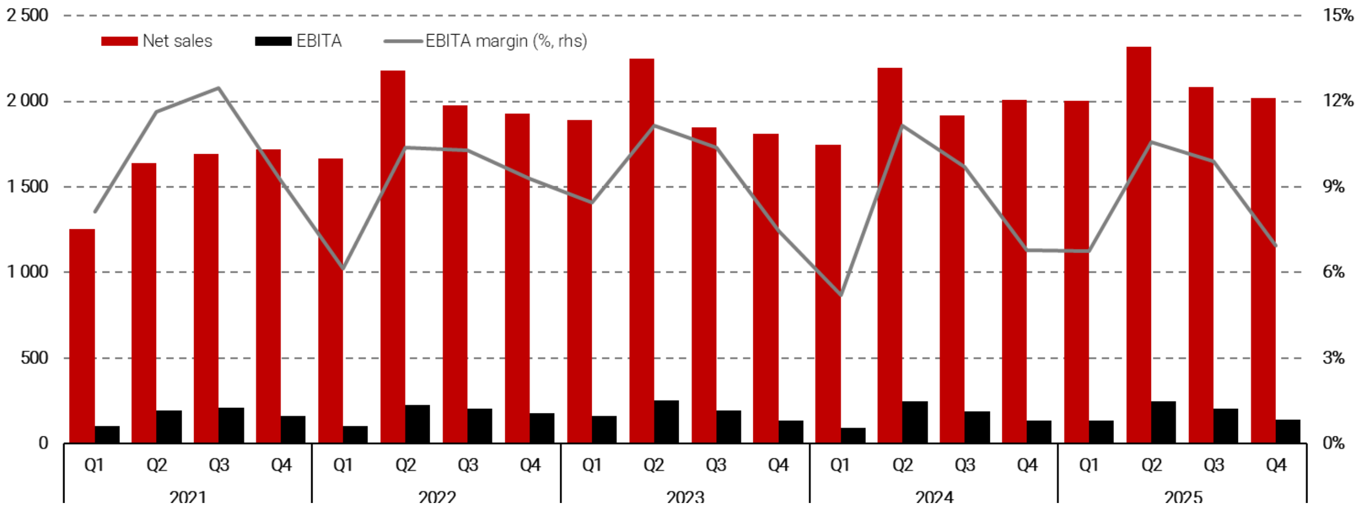
Note: Acquired growth net of divestments

Source: Volati company filings (financial figures), Redeye Research (chart structuring)

EBITA rose from cSEK136m in Q4 2024 to cSEK140m in Q4 2025, i.e., EBITA margin remained roughly flat at c7%. Adjusted for items affecting comparability, EBITA growth was c-1% y/y (c-15% organic, c15% acquired, c-1% FX). Organic operating leverage and M&A drove c3%-point y/y EBITA margin expansion to c9% for Salix Group, while Ettiketto's margin-dilutive acquisition of Clever Etiketten led to a c4%-point y/y contraction to c16%. Given Ettiketto's solid track record of improving the profitability of low-margin acquisitions, we believe its EBITA margin will return to c20% or higher in due time. Negative operating leverage pressured Industry's EBITA margin during the quarter, resulting in a c4%-point y/y contraction to c3%. However, all platforms except Corroventa and S:t Eriks featured flat or increasing EBITA y/y.

We expect three levers to benefit Volati's margin over the coming years. First, a broader economic rebound should fuel renewed organic growth for cyclical subsidiaries, thereby boosting operating leverage. Subsidiaries tightening their belts during the recent years' downturn should result in a high share of increased gross profit being reflected in the bottom line. Second, Ettiketto's recent, sizeable M&A activity significantly depresses margins in this business area. Profitability measures for Clever Etiketten should accrue to both Ettiketto's and the group's margins over time. Third, we expect future M&A, on average, to be margin accretive.

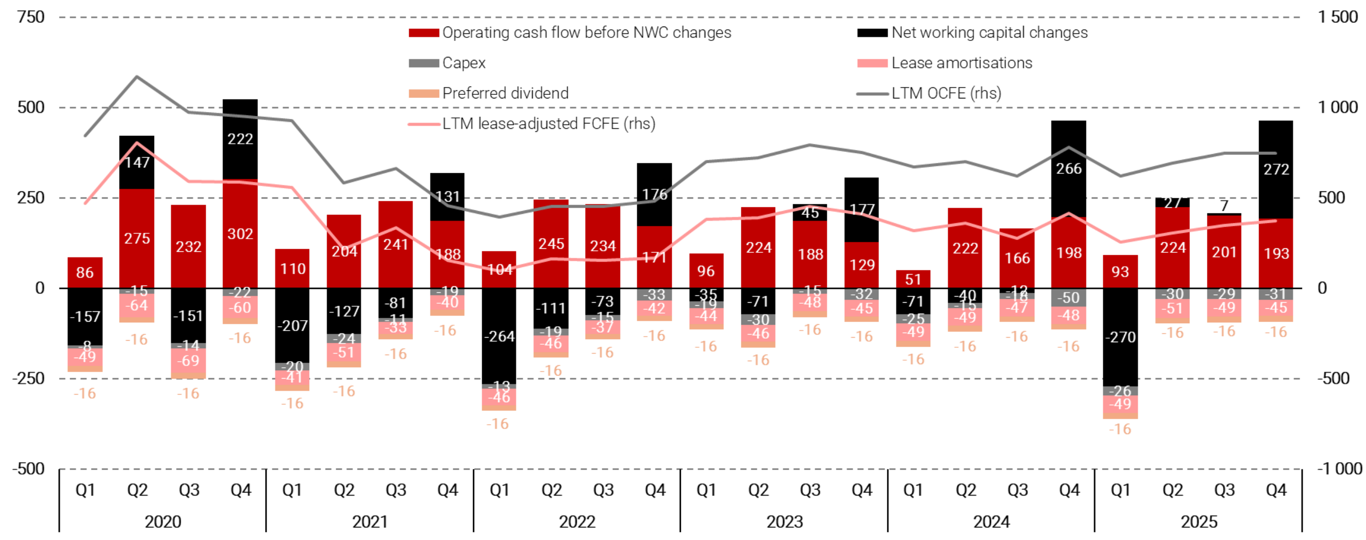
Volati: Net sales and EBITA development Q1 2021-Q4 2025 (SEKm)



Source: Volati company filings (financial figures), Redeye Research (chart structuring)

Operating cash flow nudged up from cSEK464m in Q4 2024 to cSEK465m in Q4 2025, primarily deriving from more favourable working capital changes. LTM lease-adjusted FCFE to common shareowners shrank from cSEK415m to cSEK373m over that period as higher earnings were offset by less favourable working capital changes. While a return to organic growth will likely result in some working capital builds, we expect Volati's lease-adjusted FCFE to follow net income growth over time. We appreciate this quarter's working capital release on softer organic development.

Volati: Operating cash flow (OCFE) and free cash flow to equity (FCFE) in Q1 2020-Q4 2025 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, lease liability amortisations, and preferred dividends

Source: Volati company filings (financial figures), Redeye Research (chart structuring)

Furthermore, Volati announced in connection with its Q3 2025 report that its board is contemplating a potential spin-off of its largest business area, Salix Group, into an independent, listed company. Volati notes that Salix Group has reached a size and maturity that would make such a move possible, as it already operates relatively independently within the group, sporting its own board since 2021. In the event of a potential separation, both RemainCo and SpinCo could focus on maximising value creation in their operations. No final decision has been made yet, but we get the feeling it will happen, as Salix has strengthened the board with two additional members and communicated new financial targets. If the board decides to move forward, it plans to present a suggested spin-off to shareholders at a general meeting in 2026e.

We believe a potential separation might make the underlying value more visible. However, among Volati's business areas, we judge Ettiketto clearly sports a higher quality than Salix Group and Industry. We do not believe that a potential separation of Salix Group would result in either RemainCo or SpinCo being valued higher than Volati currently trades, since we believe investors will view them similarly. Still, if the two separate entities' increased focus will indeed lead to better operational development, such a move might be rational. This potential separation will not be Volati's first. It spun out Bokusgruppen in 2021, whose share price has increased by c83% since then.

Volati trades at c14-11x EV/EBITA, and c30-18x P/E on 2025-2026e FactSet consensus, indicating margin expansion over the coming years. Volati's share price has traded sideways for most of the fourth quarter but began to decline before the Q4 report. The Q4 report was not well received, and the share lost 13% on the day. We believe the market wants to see a more decisive move back to organic growth, though Volati's prospects for such an improvement seem decent. While the share price appears cheap based on forward-looking estimates, we believe recent cyclical headwinds have instilled caution among investors. Still, we believe some multiple expansion is likely if the company's organic growth and margins trend in the right direction, combined with continued acquisition growth.

Volati: Continues to expand Ettiketto Group

Volati has announced two new acquisitions since our Q3 2025 update. Specifically, it acquired Interket Group (annual sales of cSEK450m) and a smaller bolt-on acquisition when it bought Swerock's concrete plant in Rättvik. Volati has acquired cSEK802m in annual sales over the last 12 months, corresponding to an estimated growth contribution of c10%. Volati's report notes that its M&A pipeline remains strong, with several interesting add-on opportunities for its platforms.

Volati: Acquisitions in the last four quarters

Company	Segment	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
Interket Group	Ettiketto	Q1 2026e	450	5,3%
Swerock's concrete plant in Rättvik	Industry	2025-12-01	17	0,2%
Hans Eggestrand	Salix Group	2025-05-22	45	0,5%
Clever Etiketten	Ettiketto	2025-02-04	290	3,6%
Total			802	9,7%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Volati's LTM sales in the quarter when an acquisition occurred*

Source: Volati (financial figures), Redeye Research (estimates, table structuring)

Volati acquired Interket Group in early January 2026. The company, headquartered in Stenlose, Denmark, is a leading provider of self-adhesive labelling solutions with operations in Sweden, Germany, the Netherlands, and the United Kingdom. It has joined the business area Etiketto Group.

Financials is not that impressive for Interket as net sales have decreased from cDKK355m in 2014 to cDKK317m in 2024, representing a CAGR of c-1%. EBIT margin decreased from c2% to c2% over that period, representing an EBIT CAGR of c-5%. Median ROIC and ROCE were c3% and c4%, respectively, in 2014-2024. Median EBIT/NWC equalled c15% over the past decade, decreasing to c11% in the company's most recent year. Overall, we believe this acquisition needs significant work to be value accretive. However, Ettiketto Group has a strong track record of improving businesses with similar characteristics, so we think Interket has found its rightful owner.

Interket Group: Key financials for 2014-2024 (DKKm)

ket	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	CAGR 14-24	Mean	Median
Net sales	**355,1**	**388,2**	**354,2**	**318,8**	**328,3**	**324,2**	**324,7**	**289,8**	**318,5**	**314,5**	**317,2**	**-1,1%**		
Gross profit	109,9	116,1	106,9	89,9	99,9	109,4	114,5	99,0	92,4	102,3	97,6	-1,2%		
EBIT	**8,7**	**7,1**	**-1,9**	**-12,1**	**-1,4**	**4,5**	**4,5**	**16,4**	**8,8**	**17,0**	**5,5**	**-4,5%**		
NOPAT	6,5	5,3	-1,4	-9,1	-1,1	3,4	3,4	12,3	6,6	12,8	4,1			
Gross margin (%)	*31%*	*30%*	*30%*	*28%*	*30%*	*34%*	*35%*	*34%*	*29%*	*33%*	*31%*		31%	31%
EBIT margin (%)	***2%***	***2%***	***-1%***	***-4%***	***0%***	***1%***	***1%***	***6%***	***3%***	***5%***	***2%***		**2%**	**2%**
FCFF/EBIT (%)	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*			
ROIC (%)	***5%***	***3%***	***-1%***	***-7%***	***-1%***	***3%***	***3%***	***11%***	***5%***	***10%***	***3%***		**3%**	**3%**
ROCE (%)	*6%*	*5%*	*-1%*	*-9%*	*-1%*	*4%*	*4%*	*15%*	*7%*	*14%*	*4%*		4%	4%
EBIT/NWC (%)	*22%*	*15%*	*-7%*	*-50%*	*-4%*	*15%*	*17%*	*76%*	*17%*	*40%*	*11%*		14%	15%
Intangibles	40,4	38,4	47,5	43,9	40,4	37,3	34,7	21,8	19,3	17,9	16,3			
Tangibles	58,1	69,7	73,3	64,5	58,7	53,2	58,0	66,3	62,8	61,5	68,5			
Inventories	30,8	36,4	32,5	30,7	27,8	28,0	27,7	22,7	37,1	24,1	23,7			
Receivables	62,9	60,9	47,1	49,0	49,9	49,1	46,0	39,5	43,8	36,9	43,1			
Payables	-54,4	-51,3	-50,9	-55,4	-45,1	-46,4	-47,4	-40,5	-29,0	-18,1	-18,2			
Invested capital	**137,8**	**154,1**	**149,5**	**132,7**	**131,7**	**121,2**	**119,0**	**109,8**	**134,0**	**122,3**	**133,4**	**6,1%**		

Note: ROCE = EBIT divided by invested capital, ROIC = NOPAT divided by invested capital

Source: Valu8 (historical figures), Redeye Research (calculation of metrics, table structuring)

Volati's total net debt/EBITDA (excluding IFRS 16 but including contingent considerations, put/call options, and preferred shares) decreased from c3.5x at year-end 2024 to c3.3x at the end of Q4 2025 (preferred shares represent c1.2x). Thus, we view the company's gearing as somewhat elevated. However, we expect a combination of profit growth and internally generated cash flows to bring down leverage over time. Still, since Volati maintains an active M&A agenda, we expect it to maintain a relatively high level of gearing.

Volati's reported net debt/adjusted EBITDA has decreased from c2.6x at year-end 2024 to c2.5x at the end of Q4 2025, remaining within its target of c2-3x and not exceeding 3.5x.

Volati: Historical key financials and M&A

SEKm	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net sales*	83	164	253	376	536	533	715	1 036	1 045	1 509	1 656	2 188	3 206	4 356	6 084	4 145	4 921	6 309	7 751	7 796	7 866	8 419
Net sales growth (%)	na	98,1%	54,8%	48,4%	42,5%	-0,5%	34,1%	44,9%	0,9%	44,4%	9,7%	32,1%	46,5%	35,9%	39,7%	na	18,7%	28,2%	22,9%	0,6%	0,9%	7,0%
Organic net sales growth (%)	na	20,6%	8,5%	12,6%	33,8%	-26,1%	3,6%	22,0%	-6,5%	5,2%	-1,7%	4,6%	9,7%	-2,3%	1,2%	nd	nd	9,8%	2,8%	-4,8%	-6,7%	-0,4%
Acquired growth (%)	na	77,4%	46,4%	35,9%	8,8%	25,7%	30,6%	22,8%	7,3%	49,1%	26,7%	29,7%	37,4%	37,8%	37,6%	nd	nd	18,7%	18,4%	4,6%	7,9%	8,8%
**EBITA* **	7	16	28	66	60	76	69	115	89	137	215	227	318	377	433	312	421	664	710	737	658	726
EBITA margin (%)	8,5%	9,8%	11,0%	17,5%	11,2%	14,3%	9,7%	11,1%	8,5%	9,1%	13,0%	10,4%	9,9%	8,7%	7,1%	7,5%	8,6%	10,5%	9,2%	9,5%	8,4%	8,6%
Organic EBITA growth (%)	nd	nd	nd	nd	nd	nd	nd	37%	-38%	35%	15%	-20%	28%	-18%	0%	nd	41%	36%	-8%	-5%	-21%	2%
Common share count, year-end (m)	40,0	40,0	40,0	40,0	40,0	40,0	40,0	40,4	40,4	40,4	40,4	42,0	80,4	80,4	80,4	79,4	79,4	79,4	79,4	79,4	79,4	79,4
EBITA/share (SEK)	0,18	0,40	0,70	1,65	1,50	1,90	1,73	2,85	2,20	3,39	5,32	5,40	3,95	4,69	5,39	3,93	5,30	8,36	8,94	9,28	8,29	9,14
Net debt/EBITDA* (x)**	5,3	5,5	3,8	2,4	3,0	1,7	4,6	2,2	3,7	4,6	4,3	3,1	-0,6	1,4	3,3	1,8	0,3	1,8	2,3	2,2	2,8	2,5
Net interest-bearing debt/adj EBITDA*** (x)	5,3	5,5	3,8	2,4	3,0	1,7	4,5	2,1	3,5	3,8	3,8	2,4	-0,7	1,1	1,6	1,4	-0,9	1,2	1,8	1,9	2,5	2,4
Interest coverage ratio*** (x)	3,3	4,7	4,2	4,9	4,6	3,2	7,3	6,2	5,2	2,6	1,9	4,6	7,5	15,5	9,1	4,1	4,9	10,0	9,3	4,8	3,4	3,9
Number of acquisitions******	1	2	1	1	2	1	2	0	1	2	1	2	4	3	1	4	4	8	6	4	4	2
Previous year sales	87	96	nd	nd	nd	nd	nd	na	nd	nd	192	1 069	227	2 444	1 038	212	758	1 084	824	327	917	335
Previous sales/acq	87	48	na	na	na	na	na	na	na	na	192	534	57	815	1 038	53	190	136	137	82	229	168
Acquired sales*****	94	108	nd	101	70	160	381	na	213	692	185	1 107	191	2 424	1 061	178	804	1 156	992	314	813	339
Acquired EBITA*****	10	22	nd	43	16	23	33	na	28	115	54	109	5	139	33	16	51	76	167	28	117	3
EBITA margin (%)	10,8%	20,4%	na	42,8%	22,8%	14,4%	8,6%	na	13,3%	16,6%	29,2%	9,9%	2,8%	5,7%	3,1%	9,0%	6,3%	6,6%	16,8%	8,9%	14,4%	0,9%
Acquired sales/acq	94	54	na	101	35	160	190	na	213	346	185	554	48	808	1 061	45	201	145	165	79	203	170
Acquired EBITA/acq	10	11	na	43	8	23	16	na	28	58	54	55	1	46	33	4	13	10	28	7	29	2
Net cash deployed on acq	47	73	13	130	61	-24	228	3	0	-94	296	592	261	552	544	127	-828	751	472	270	633	92
Paid deferred considerations and put/calls	0	6	3	15	1	0	8	0	0	0	0	0	122	7	114	17	6	53	142	92	54	15
Purchase consideration******	47	67	10	114	44	36	220	5	118	213	297	674	140	568	435	121	245	726	475	223	636	112
Deferred consideration	6	15	5	1	6	10	26	3	24	222	0	0	1	10	145	0	33	25	63	29	13	0
Total consideration	53	82	15	115	50	46	247	8	143	435	297	674	141	578	580	121	278	751	538	252	649	112
Deferred/total (%)	11%	18%	34%	1%	12%	21%	11%	40%	17%	51%	0%	0%	1%	2%	25%	0%	12%	3%	12%	12%	2%	0%
Sales multiple initial******* (x)	0,5	0,6	na	1,1	0,6	0,2	0,6	na	0,6	0,3	1,6	0,6	0,7	0,2	0,4	0,7	0,3	0,6	0,5	0,7	0,8	0,3
EBITA multiple initial***** (x)**	4,7	3,0	na	2,6	2,8	1,5	6,7	na	4,2	1,9	5,5	6,2	26,4	4,1	13,2	7,6	4,8	9,6	2,8	8,0	5,4	37,3
Sales multiple total******* (x)	0,6	0,8	na	1,1	0,7	0,3	0,6	na	0,7	0,6	1,6	0,6	0,7	0,2	0,5	0,7	0,3	0,6	0,5	0,8	0,8	0,3
EBITA multiple total***** (x)**	5,2	3,7	na	2,6	3,2	2,0	7,5	na	5,1	3,8	5,5	6,2	26,6	4,2	17,6	7,6	5,5	9,9	3,2	9,0	5,5	37,3

*Note: Per share items are split-adjusted *2019-2020 exclude discontinued operations (Sales of consumer businesses 2020 and Bokusgruppen spin-off 2021); organic growth for 2019 sans the divested consumer business was not disclosed, **excluding capital gains from the following divestments: SEK32m from real estate sale in 2007; SEK11m from Sveico divestiture in 2009; SEK27m from subsidiary and real estate divestitures in 2011; SEK189m from TeamOlmed divestiture in 2013, ***net debt = net interest-bearing debt including leases and pension liabilities; adjusted EBITDA data available starting in 2013, reported EBITDA used for prior years; net interest-bearing debt = net debt excluding leases and pension liabilities; interest coverage ratio = EBT + financial expenses divided by financial expenses, ****only acquisitions of operational companies, minor acquisitions of dormant or holding companies excluded from number of acquisitions, *****full-year pro forma figures disclosed for acquired companies in the year of acquisition; 2012-2013 figures based on financial performance in following years due to insufficient disclosure in years of acquisition; 2005-2010 profit figures constitute disclosed EBIT of acquirees, Q1-Q4 2025 figures annualised ******net of acquired cash and including repaid liabilities at acquisition; for 2012 we used the purchase price that Volati 2 paid for Etikettoprintcom Holding AB, *******based on full-year figures in year of acquisition*

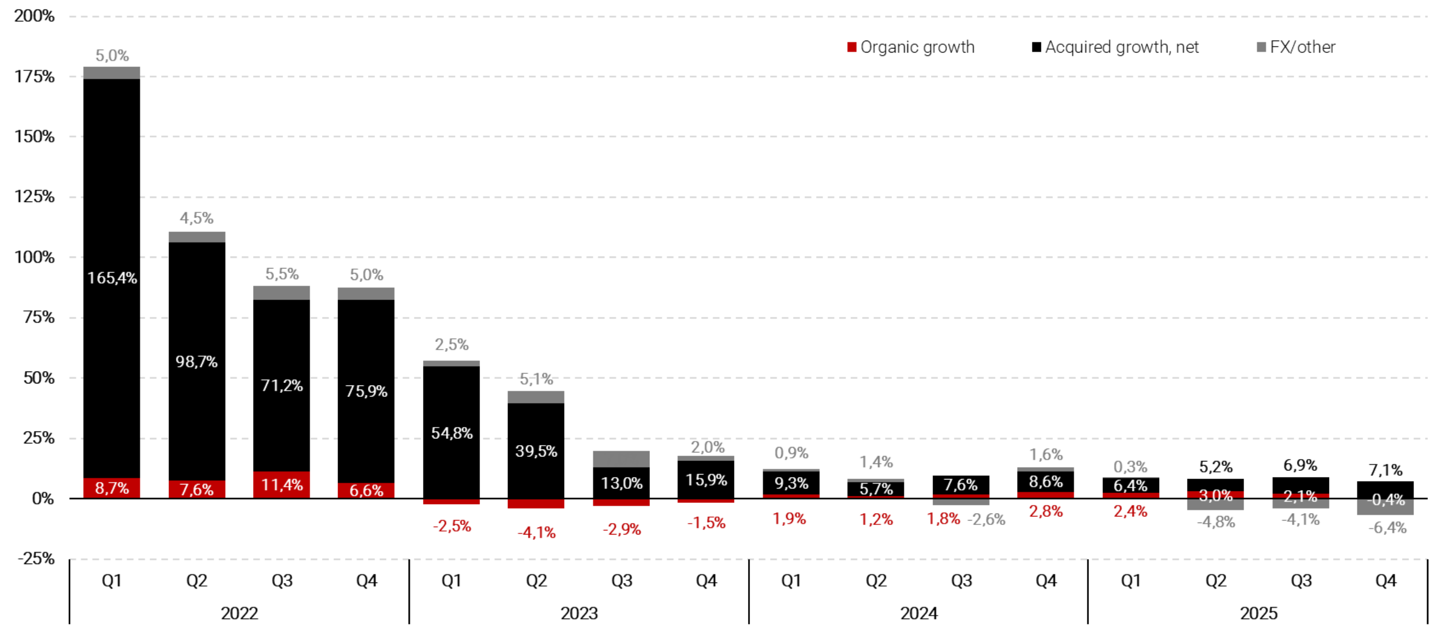
Source: Volati company filings (financial figures), Redeye Research (table structuring, estimates)

Röko Q4 2025: Yet to find its groove again

Röko grew net sales marginally from cSEK1,669m in Q4 2024 to cSEK1,675m in Q3 2025, corresponding to growth of c0% y/y (c0% organic, c7% acquired, c-6% FX). Röko noted that performance across subsidiaries remained mixed, with some suffering from weak construction demand, and others seeing tariff-related declines in their US sales. On a more positive note, some of its UK subsidiaries are performing better, driven by internal improvements and good demand from the defence sector for one subsidiary.

We judge that value creation will mainly be driven by acquisitions but would like to see a bit better organic growth than the c0% in Q4, against neutral comparables (c3% in Q4 2024). Sales to US customers represent c6% of group sales (c2% of which are manufactured in China). Thus, we judge that tariff-related demand softness could be in incremental headwind for the company, though overall effects should remain rather limited.

Röko: Quarterly net sales growth in Q1 2022-Q4 2025 (%)



Note: We calculate different growth contributors as the increase/decrease versus reported net sales in the prior-year period

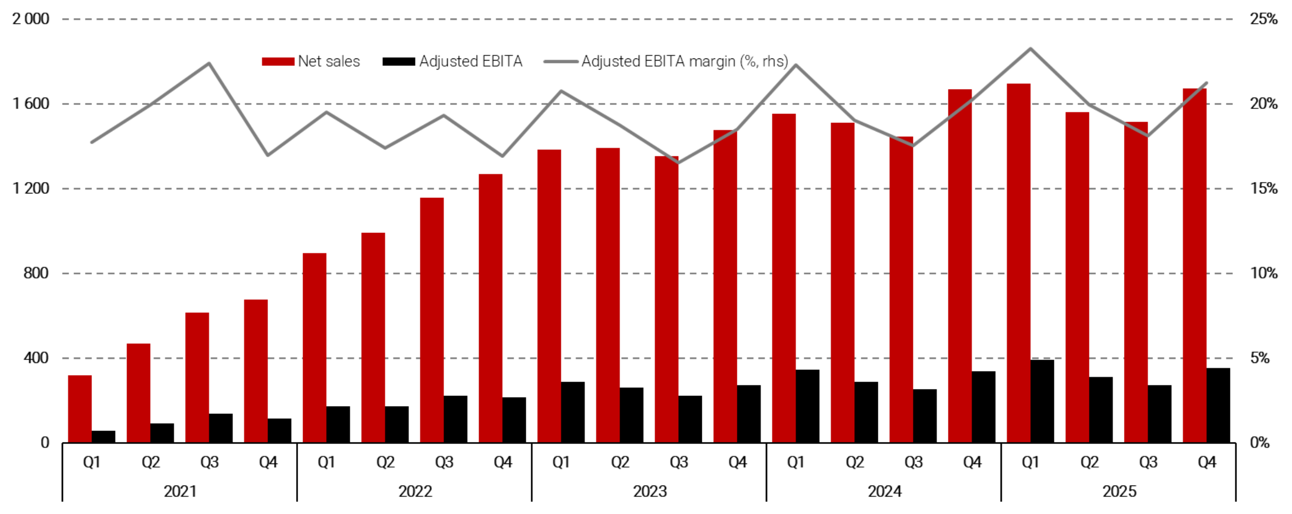
Source: Röko company filings (financial figures), Redeye Research (chart structuring)

Adjusted EBITA rose from cSEK338m in Q4 2024 to cSEK356m in Q4 2025, i.e., adjusted EBITA margin strengthened c1%-point to c21% y/y. Segment B2B expanded its adjusted EBITA margin by c3%-points y/y to c25%, while segment B2C's adjusted EBITA margin shrank by c2%-points to c18% with seasonality on a quarterly basis affecting the B2C segment. Overall, we appreciate organic and acquired growth resulting in solid EBITA expansion (c4% organic in Q4) despite FX headwinds that are likely to persist into late 2026e. LTM adjusted EBITA margin has trended higher sequentially every quarter since bottoming in Q3 2023.

Operating cash flow nudged up from cSEK335m in Q4 2024 to cSEK356m in Q4 2025, driven by higher earnings and more favourable working capital changes. LTM lease-adjusted free cash flow to equity (FCFE) shrank from cSEK942m in Q4 2024 to cSEK904m in Q4 2025, primarily deriving from less favourable working capital changes and higher lease amortisations offsetting higher earnings.

We expect lease-adjusted FCFE growth to follow net income expansion over time, subject to short-term fluctuations. We judge Röko's adjusted EBITA to lease-adjusted FCFF conversion of c72% LTM and net income to lease-adjusted FCFE conversion of c120% LTM represent roughly normal levels that we expect to see over time.

Röko: Net sales and EBITA development Q1 2021-Q4 2025 (SEKm)



Source: Röko company filings (financial figures), Redeye Research (chart structuring)

Röko currently trades at c19-18x EV/EBITA and c30-27x P/E on 2025-2026e FactSet consensus. These multiples roughly align with peer medians and represent a slight discount to best-in-class peers, such as Lifco, Addtech, and Lagercrantz. Röko's share had a neutral reaction to Q3 figures but then traded down during Q4, bottoming at SEK c1,520 a few days before the Q4 earnings. Röko's share declined after Q4 figures to cSEK1,500, giving up the gains it had prior to the report.

Overall, we believe earnings growth will be its primary driver as we advance, though a bullish scenario might see multiples expand to levels similar to those of best-in-class peers. These peers currently trade at somewhat rich multiples, which we do not expect to remain at the same high levels over time. Still, one might argue that their fundamentals can motivate such high valuations if future performance matches their solid track records.

We view Röko's long-term potential positively and believe its average subsidiary quality exceeds that of many peers. Further, we view it as only a matter of time before the current Deputy CEO, Johan Bladh, becomes CEO. His relatively young age and solid skin in the game should provide leadership continuity for decades, potentially longer. We believe he is a high-quality executive who will make solid capital allocation decisions over time.

Röko: Solid M&A pace in H2'25, more to come

Röko has closed one new M&A deal since our Q3 2025 update. Specifically, it acquired ITIB Machinery (cEUR19m) in Italy. The company has acquired cSEK474m in annual sales over the last 12 months, corresponding to an estimated growth contribution of c7%.

Röko: Acquisitions in the last four quarters

Company	Segment	Initial stake (%)	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
Topa Bathroom	B2C	85%	Jun 2025	227	3,6%
Oppold System International	B2B	100%	Aug 2025	38	0,6%
ITIB Machinery	B2B	75%	Dec 2025	209	3,2%
Total				474	7,4%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Röko's LTM sales in the quarter when an acquisition occurred*

Source: Röko company filings (financial figures), Redeye Research (estimates, table structuring)

Röko acquired ITIB Machinery International in early December 2026. The company, headquartered in Milano, Italy, designs and manufactures corrugators and ancillary equipment.

ITIB Machinery has grown net sales from cEUR6m in 2014 to cEUR20m in 2024, representing a CAGR of c12%. EBIT margin expanded from c-6% to c19% over that period. The EBIT CAGR from when ITIB reached profitability in 20216 to 2024 has been 24%. Median ROIC and ROCE amounted to c29% and c39% in 2014-2024, rising to c63% and c84% recently. Median EBIT/NWC equalled c50% over the past decade, increasing to c102% in the company's most recent year. Overall, we judge that ITIB Machinery has posted strong profitable growth over the past decade. We also consider its returns on capital as very promising. Röko acquired a 75% stake, with the ITIB management team owning the remaining 25%. It has been consolidated in the B2B segment in December.

ITIB Machinery: Key financials for 2014–2024 (EURm)

lachinery	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	CAGR 14-24	Mean	Median
Net sales	**6,3**	**7,6**	**8,9**	**9,2**	**12,3**	**10,5**	**8,5**	**11,4**	**15,0**	**15,3**	**19,7**	**12,1%**		
Gross profit	5,0	5,7	6,0	6,7	7,7	7,8	6,5	8,5	10,3	11,3	13,3	10,3%		
EBIT	**-0,4**	**-0,1**	**0,7**	**0,6**	**1,0**	**1,6**	**1,2**	**1,9**	**2,3**	**3,0**	**3,8**	**n/a**		
NOPAT	-0,3	-0,1	0,5	0,5	0,8	1,2	0,9	1,4	1,7	2,3	2,9			
Gross margin (%)	*79%*	*75%*	*67%*	*73%*	*63%*	*74%*	*76%*	*75%*	*69%*	*74%*	*68%*		72%	74%
EBIT margin (%)	***-6%***	***-1%***	***8%***	***7%***	***8%***	***15%***	***14%***	***17%***	***15%***	***20%***	***19%***		**10%**	**14%**
FCFF/EBIT (%)	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*			
ROIC (%)	***-6%***	***-2%***	***16%***	***12%***	***29%***	***46%***	***23%***	***41%***	***38%***	***50%***	***63%***		**28%**	**29%**
ROCE (%)	*-8%*	*-2%*	*21%*	*16%*	*39%*	*62%*	*31%*	*54%*	*51%*	*67%*	*84%*		38%	39%
EBIT/NWC (%)	*-13%*	*-3%*	*31%*	*21%*	*50%*	*89%*	*39%*	*66%*	*61%*	*79%*	*102%*		47%	50%
Intangibles	1,8	1,3	0,9	0,5	0,1	0,2	0,2	0,1	0,1	0,1	0,0			
Tangibles	0,1	0,2	0,1	0,3	0,5	0,6	0,6	0,5	0,6	0,6	0,8			
Inventories	2,3	2,6	1,9	2,5	2,0	1,8	2,4	4,0	3,9	4,1	3,6			
Receivables	2,6	2,7	2,5	3,2	2,5	2,1	2,9	2,3	3,1	3,1	3,3			
Payables	-1,9	-2,0	-2,1	-2,8	-2,5	-2,1	-2,2	-3,4	-3,2	-3,4	-3,2			
Invested capital	**4,9**	**4,8**	**3,3**	**3,7**	**2,6**	**2,6**	**3,9**	**3,5**	**4,5**	**4,5**	**4,5**	**7,9%**		

Note: ROCE = EBIT divided by invested capital, ROIC = NOPAT divided by invested capital

Source: Valu8 (historical figures), Redeye Research (calculation of metrics, table structuring)

During Röko's Q4 conference call, Deputy CEO and CFO Johan Bladh noted that the company has seen a decent number of high-quality companies up for sale this year. However, it has not closed as many deals as it wanted. Some of that is due to timing effects (and we have seen Röko close deals at the beginning of 2026), and some to sellers being somewhat more hesitant given the uncertain macro situation. Mr. Bladh reiterated that Röko remains very disciplined in its due diligence, which we appreciate. We believe remaining disciplined will naturally lead to slower periods over time. Röko still sees plenty of high-quality M&A opportunities hitting the market, leading us to believe that acquired growth will improve in due time.

Röko's financial net debt/adjusted EBITDA has decreased slightly y/y to c2.0x (c2.1x), well below its financial target of under 3.0x over time. We believe this level of gearing provides moderate headroom for acquired growth.

Röko: Historical key financials and M&A

SEKm	2019	2020	2021	2022	2023	2024	2025	CAGR 20-LTM	Mean 20-LTM	Median 20-LTM
Net sales	23	614	2 083	4 316	5 614	6 182	6 452	60%		
Net sales growth (%)	*na*	*2569,6%*	*239,3%*	*107,2%*	*30,1%*	*10,1%*	*7,6%*		*494,0%*	*68,6%*
Organic growth (%)	*na*	*nd*	*10,6%*	*4,9%*	*-1,8%*	*2,1%*	*1,7%*		*3,5%*	*2,1%*
Acquired growth (%)	*na*	*nd*	*228,0%*	*99,3%*	*28,3%*	*7,7%*	*6,3%*		*73,9%*	*28,3%*
FX effects/other (%)	*na*	*nd*	*0,8%*	*2,9%*	*3,6%*	*0,3%*	*-3,7%*		*0,8%*	*0,8%*
Adjusted EBITA	-3	125	403	787	1 047	1 227	1 339	61%		
Adjusted EBITA margin (%)	*-13,0%*	*20,4%*	*19,3%*	*18,2%*	*18,6%*	*19,8%*	*20,8%*		*19,5%*	*19,6%*
Adjusted EBITA growth (%)	*na*	*na*	*222,4%*	*95,3%*	*33,0%*	*17,2%*	*9,0%*		*75,4%*	*33,0%*
Organic EBITA growth (%)	*na*	*nd*	*nd*	*nd*	*nd*	*8,5%*	*3,3%*			
Acquired EBITA growth (%)	*na*	*nd*	*nd*	*nd*	*nd*	*8,8%*	*9,8%*			
FX/other (%)	*na*	*nd*	*nd*	*nd*	*nd*	*0,0%*	*-4,0%*			
Net income	-12	56	217	386	541	702	755	68%		
Number of shares, end of period (m)	13,5	13,5	13,5	13,5	14,8	14,8	14,6	2%		
EPS	-0,9	4,2	16,1	28,6	36,5	47,3	51,6	66%		
FCFF, lease-adjusted	-1	47	197	465	871	1 003	965	83%		
FCFE, lease-adjusted	-2	33	171	404	779	942	904	94%		
FCFF/adjusted EBITA	na	38%	49%	59%	83%	82%	72%		64%	66%
FCFE/net income	na	59%	79%	105%	144%	134%	120%		107%	112%

SEKm	2019	2020	2021	2022	2023	2024	2025	Sum	Mean 19-YTD	Median 19-YTD
Financial net debt/adjusted EBITDA	nd	6,3	4,9	4,2	2,2	2,1	2,0		3,6	3,2
Interest-bearing net debt/adjusted EBITDA	nd	2,3	1,7	1,8	0,1	0,2	0,3		1,1	1,0
Share issues/shareholder contributions	360	334	1 140	1 421	1 189	3	0	4 447	635	360
Number of acquisitions	5	4	9	6	3	5	3	35	5	5
Acquired sales*	458	549	1 997	1 684	473	437	465	6 063	866	473
Acquired adjusted EBITA*	109	123	381	465	72	125	116	1 391	199	123
Acquired EBIT*	72	107	289	301	57	104	95	1 025	146	104
Adjusted EBITA margin (%)	*23,8%*	*22,3%*	*19,1%*	*27,6%*	*15,2%*	*28,6%*	*24,9%*	*22,9%*	*23,1%*	*23,8%*
EBIT margin (%)	*15,7%*	*19,5%*	*14,5%*	*17,9%*	*12,1%*	*23,8%*	*20,4%*	*16,9%*	*17,7%*	*17,9%*
Acquired sales/acq	92	137	222	281	158	87	155	173	162	155
Acquired adj EBITA/acq	22	31	42	78	24	25	39	40	37	31
Acquired EBIT/acq	14	27	32	50	19	21	32	29	28	27
Net cash deployed on acq	694	365	1 735	2 435	336	786	944	7 295	1 042	786
CCs for previous acq	0	17	54	287	99	16	52	525	75	52
Put/calls for previous acq	0	0	-5	5	18	142	153	313	45	5
Purchase consideration**	694	365	1 735	2 151	240	770	894	6 849	978	770
Contingent consideration***	191	257	779	914	185	127	111	2 564	366	191
Total consideration	885	622	2 514	3 065	425	897	1 005	9 413	1 345	897
Contingent/total (%)	22%	41%	31%	30%	44%	14%	11%	27%	27%	30%
Sales multiple initial**** (x)	1,5	0,7	0,9	1,3	0,5	1,8	1,9	1,1	1,2	1,3
Adj EBITA multiple initial**** (x)	6,4	3,0	4,6	4,6	3,3	6,2	7,7	4,9	5,1	4,6
EBIT multiple initial**** (x)	9,6	3,4	6,0	7,1	4,2	7,4	9,4	6,7	6,7	7,1
Sales multiple total**** (x)	1,9	1,1	1,3	1,8	0,9	2,1	2,2	1,6	1,6	1,8
Adj EBITA multiple total**** (x)	8,1	5,1	6,6	6,6	5,9	7,2	8,7	6,8	6,9	6,6
EBIT multiple total**** (x)	12,3	5,8	8,7	10,2	7,5	8,6	10,6	9,2	9,1	8,7

*Note: Per share items are split-adjusted, we calculate different growth contributors as the increase/decrease versus reported net sales/EBITA in the prior-year period, *full-year pro forma figures disclosed for acquired companies in the year of acquisition; EBITA figures for 2019-2022 are Redeye estimates due to insufficient disclosure, Q1-Q4 2025 figures annualised, **net of acquired cash, ***including put/call options to buy minority interests, ****based on full-year figures in year of acquisition*

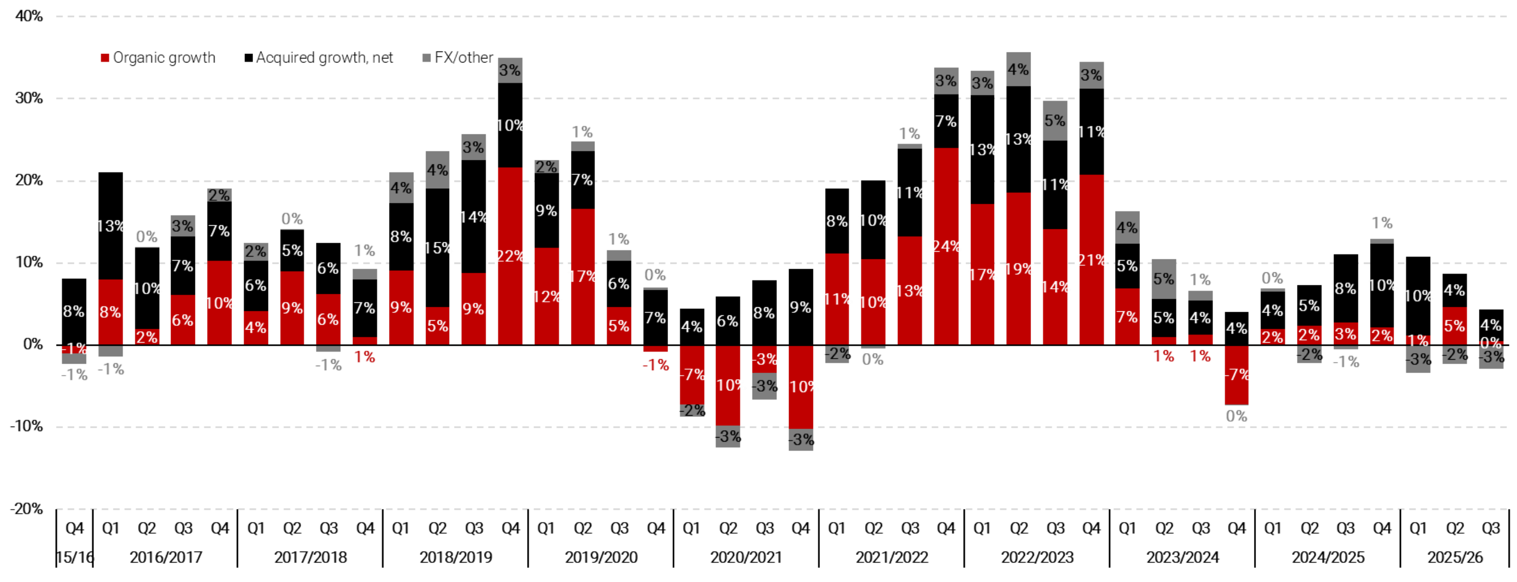
Source: Röko company filings (financial figures), Redeye Research (table structuring, estimates)

Addtech Q3 2025/2026: Improving profitability in a cautious market

Addtech's net sales grew from cSEK5.5bn in Q3 2024/2025 to cSEK5.6bn in Q3 2025/2026 (split fiscal year ending March), representing growth of c1% y/y (c0% organic, c4% acquired, c-3% FX). Demand remained mixed across sectors. Energy and special vehicles showed strength, offset by weaker development within medical, sawmill, and defence. Order intake was solid, and the group's book-to-bill ratio was positive, boding well for organic growth in 2026. Still, many customers seem cautious about larger projects and investment decisions. Over the past 4.5 fiscal years, Addtech has posted only one quarter of negative organic growth, underscoring the strong niche positions of its subsidiaries and the group's overall cyclical resilience.

This was the first quarter with the new organizational structure with 6 separate business areas. Industry delivered a strong quarter, growing top line by c6% y/y and strengthening its EBITA margin by 1.5%-points. Demand was strong for subsea data & telecom and special vehicles, partly offset by a weaker market in the sawmill industry. Electrification and Process also saw sales growth y/y of 6% and 8%, respectively. However, a weaker product mix and too high opex led to lower profitability in Process, with EBITA only up 1% y/y. Automation, Energy, and Safety all saw sales decline of c3-6% y/y. But through an improved mix of effects and restructuring measures, EBITA grew 27% in Electrification and 8% in Safety. Automation saw EBITA decline 9% y/y; however, Addtech notes an improved business situation during the quarter and has initiated restructuring measures, which bodes well for a rebound in 2026e.

Addtech: Quarterly net sales growth in Q4 2015/2016-Q3 2025/2026 (%)



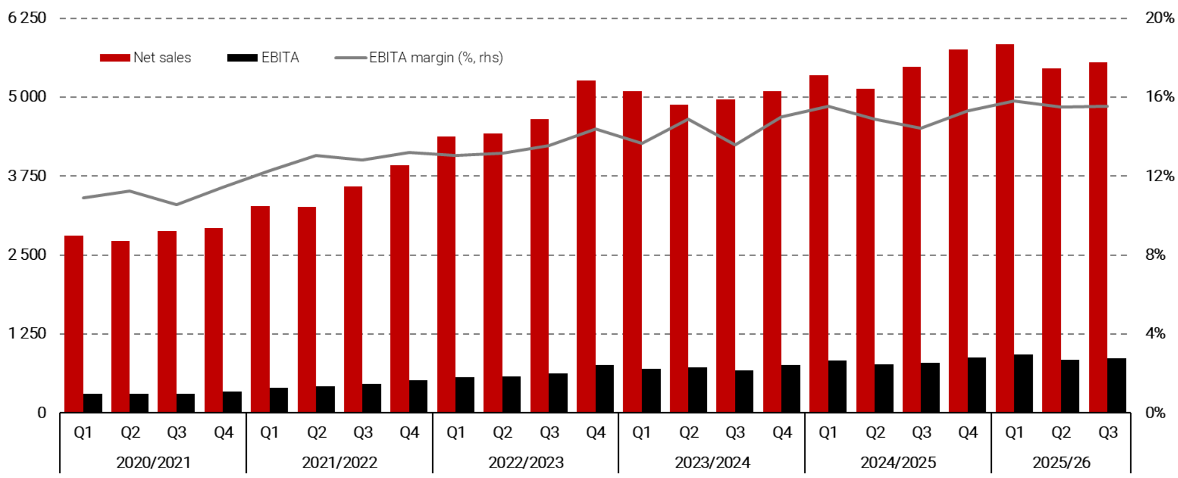
Note: Acquired growth net of divestments

Source: Addtech company filings (financial figures), Redeye Research (chart structuring)

EBITA rose from cSEK790m in Q3 2024/2025 to cSEK864m in Q3 2025/2026, i.e., EBITA margin expanded from c14% to c16%. We believe Addtech has maintained solid margins during the recent economic slowdown, demonstrating that its niche subsidiaries have strong pricing power.

Addtech's decision to add a sixth business area to its organisation aims to increase the focus of each niche cluster among its subsidiaries. Furthermore, it enables Addtech to assign additional skilled employees to positions with increased responsibility. By combining a more focused approach to each business area with more individuals responsible for capital allocation, Addtech aims to increase its organisational M&A capacity. We believe this change is rational, as Addtech's financial M&A capacity appears to have exceeded its organisational capacity for several years. To maintain solid acquired growth, it will likely need to increase its M&A volumes over time, despite a recent upward drift in deal size.

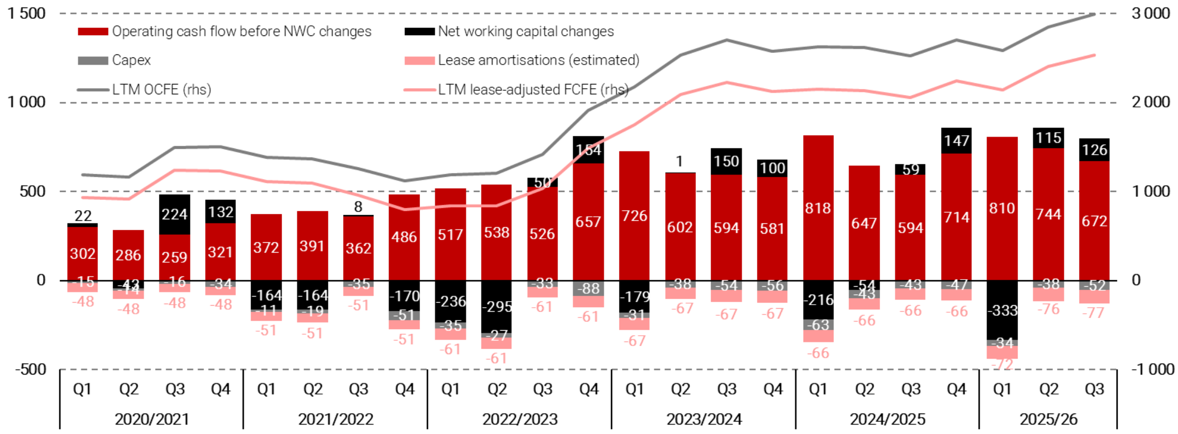
Addtech: Net sales and EBITA development Q1 2020/2021- Q3 2025/2026 (SEKm)



Source: Addtech company filings (financial figures), Redeye Research (chart structuring)

Operating cash flow increased from cSEK653m in Q3 2024/2025 to cSEK798m in Q3 2025/2026, deriving primarily from higher earnings and more favourable working capital changes. We appreciate Addtech's solid NWC efficiency. LTM lease-adjusted free cash flow to equity (FCFE) rose from cSEK2.1bn in Q3 2024/2025 to cSEK2.5bn in Q3 2025/2026. Note that we estimate quarterly lease amortisations as Addtech only discloses this metric annually. We expect Addtech to maintain solid earnings growth momentum and NWC efficiency, boding well for lease-adjusted FCFE growth as we advance.

Addtech: Operating cash flow (OCFE) and free cash flow to equity (FCFE) in Q1 2020/21-Q3 2025/26 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: Addtech company filings (financial figures), Redeye Research (chart structuring)

Addtech currently trades at c26-23x EV/EBITA and c40-35x P/E on FactSet consensus figures for 2025-2026e. The company's B share has seen positive reactions to both its Q2 and Q3 reports. However, both rallies have been sold off by investors, and the share seems to be stuck in a range slightly above SEK 300 per share. One reason for this might be valuation, as we still view it as relatively rich.

However, we believe the company deserves a high multiple, considering its best-in-class performance among Swedish serial acquirers. While it sometimes features lower acquired growth than key peers, its organic growth and margin expansion stand out. We expect

Addtech's future performance to align with its recent track record, which will likely keep its valuation high. Buy once, cry once, some investors may argue. Still, we judge that one should expect some multiple contraction over the coming decade.

Addtech: New organisation off to a good start

Addtech has announced five new acquisitions since our Q3 2025 update. Specifically, it acquired Cubro Acronet (annual sales cEUR15m), BCK Holland and Kramer & Duyvis (cEUR8m), Purenviro (cNOK50m), RAMME Elctric Machines (cEUR38m) and Kapp Nederland (cEUR14m). The company has closed five acquisitions over the last four quarters, corresponding to acquired sales of cSEK0.7bn and an estimated growth contribution of c3%. Including announced M&A after the end of Q3 2025/2026, acquired annual sales amount to cSEK1.8bn (estimated growth contribution c8%). It is fair to say that the new organisational structure is off to a good start with six acquisitions already announced in 2026.

Addtech: Acquisitions in the last four quarters

Company	Division	Country	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
Kapp Nederland	Process	NL	Feb 2026e	161	0,7%
RAMME Electric Machines GmbH	Industry	DE	Feb 2026e	407	1,8%
Purenviro	Process	NO	Jan 2026	50	0,2%
BCK Holland and Kramer & Duyvis	Automation	NL	Jan 2026	86	0,4%
Cubro Acronet GesmbH	Automation	AT	Jan 2026	161	0,7%
Axion AG	Industry	DE	Jan 2026	255	1,1%
innovatek OS GmbH	Electrification	DE	Sep 2025	135	0,6%
Novatech Analytical Solutions Inc	Electrification	CA	Apr 2025	260	1,2%
AMP Power Protection Ltd	Process	GB	Apr 2025	70	0,3%
ROSHO Automotive Solutions GmbH	Industry	DE	Feb 2025	150	0,7%
Coel Motori Srl	Industry	IT	Jan 2025	90	0,4%
Total				1 823	8,1%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Addtech's LTM sales in the quarter when an acquisition occurred*

Source: Addtech (financial figures), Redeye Research (estimates, table structuring)

Addtech's business area Automation (new organisational structure) announced its acquisition of a c80% stake in Cubro Acronet in early December 2025 (expected close January 2026e). The company, headquartered in Vienna, Austria, is a leading manufacturer and supplier of products and solutions for monitoring, security, and analysis of datacom networks. Customers are primarily in telecommunications, data centres, defence, and OEM manufacturers. Addtech cites this acquiree's annual sales as cEUR15m; however, we could not find any public financials for this acquiree.

Addtech's business area Automation announced its acquisition of a c100% stake in BCK Holland and Kramer & Duyvis in mid-December 2025 (expected close January 2026). The two companies share headquarters in Waalwijk, Netherlands, and manufacture and market conveyor systems primarily for European system integrators within the packaging, food & beverage, and mechanical industries. Addtech cites this acquiree's annual sales as cEUR8m; however, we could not find any public financials for these acquirees.

Addtech's business area Process announced its acquisition of a c100% stake in Purenviro in mid-December 2025 (expected close January 2026). The company, headquartered in Porsegrunn, Norway, manufactures and offers customized solutions and services for the efficient handling of environmentally harmful and odorous gases. Customers are primarily in the energy, wastewater treatment, mining, and food industries in Norway.

Purenviro has grown net sales from cNOK15m in 2014 to cNOK33m in 2024, representing a CAGR of c9%. EBIT margin expanded from c23% to c26% over that period, representing a CAGR of c10%. Median ROIC and ROCE amounted to c75% and c101% in 2014-2024, falling to c59% and c79% recently. Median EBIT/NWC equalled c101% over the past decade, decreasing to c79% in the company's most recent year. Overall, we judge that Purenviro has posted decent profitable growth over the past decade. We also consider its returns on capital to be strong, albeit the company seems a bit cyclical, as evidenced by its annual sales of NOK55m.

Purenviro: Key financials for 2014–2024 (NOKm)

Purenviro	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	CAGR 14-24	Mean	Median
Net sales	14,7	13,0	19,6	26,8	17,5	36,0	16,0	24,5	59,3	45,5	33,4	8,6%		
Gross profit	6,9	7,0	9,3	10,1	7,5	13,3	7,3	9,4	19,6	18,1	17,1	9,4%		
EBIT	3,4	3,5	3,8	3,8	2,5	8,1	1,8	3,7	12,6	10,0	8,6	9,6%		
NOPAT	2,6	2,6	2,9	2,8	1,9	6,1	1,3	2,8	9,5	7,5	6,4			
Gross margin (%)	*47%*	*54%*	*47%*	*38%*	*43%*	*37%*	*46%*	*38%*	*33%*	*40%*	*51%*		43%	43%
EBIT margin (%)	***23%***	***27%***	***20%***	***14%***	***14%***	***23%***	***11%***	***15%***	***21%***	***22%***	***26%***		20%	21%
FCFF/EBIT (%)	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*	*na*			
ROIC (%)	*169%*	*75%*	*106%*	*69%*	*72%*	*143%*	*78%*	*34%*	*170%*	*72%*	*59%*		95%	75%
ROCE (%)	*225%*	*101%*	*142%*	*92%*	*96%*	*190%*	*105%*	*46%*	*226%*	*96%*	*79%*		127%	101%
EBIT/NWC (%)	*225%*	*101%*	*142%*	*92%*	*96%*	*190%*	*105%*	*46%*	*226%*	*96%*	*79%*		127%	101%
Intangibles	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0			
Tangibles	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0			
Inventories	0,0	0,0	0,0	0,1	0,1	0,4	0,5	1,2	0,7	1,2	0,8			
Receivables	1,5	3,7	2,8	5,4	4,9	8,5	2,1	11,3	9,9	12,3	11,4			
Payables	0,0	-0,2	0,0	-1,5	-2,4	-4,7	-0,9	-4,4	-4,9	-3,1	-1,4			
Invested capital	1,5	3,5	2,7	4,1	2,6	4,3	1,7	8,1	5,6	10,4	10,8	81,1%		

Note: ROCE = EBIT divided by invested capital, ROIC = NOPAT divided by invested capital

Source: Valu8 (historical figures), Redeye Research (calculation of metrics, table structuring)

Addtech's business area Electrification announced its acquisition of a c100% stake in RAMME Electric Machines in early February 2026 (expected close February 2026). The company, headquartered in Osterwieck, Germany, is a leading manufacturer of electric motors and generators for maritime electrification, focusing on propulsion, dynamic positioning, and hybrid operation for medium-sized specialized vessels. The company has a broad geographical presence with a primary focus on European OEM manufacturers and system integrators. Addtech cites this acquiree's annual sales at cEUR38m; however, we could find only limited financial information for RAMME, indicating an EBITA margin of 15%, ROIC of 30%, ROCE of 39% and EBIT/NWC of 52% for 2024. It suggests the company will be slightly margin-accretive once it joins the Electrification business area.

Addtech's business area Automation announced its acquisition of a c90% stake in Kapp Nederland in early February 2026 (expected close February 2026). The company, headquartered in Dordrecht, Netherlands, develops and supplies customised industrial heat-exchange solutions to enhance energy efficiency in the process industry. The company has a complete offering with a primary focus on European customers within the energy, chemical, food, HVAC and pharmaceutical sectors. Addtech cites this acquiree's annual sales as cEUR14m; however, we could not find any public financials for this acquiree.

Addtech's financial net debt/EBITDA has decreased from c1.4x at year-end 2024 to c1.2x at the end of Q4 2025. Thus, we judge the company's financial M&A capacity remains substantial, exceeding its organisational M&A capacity. Addtech's new organisational structure, which adds another business area, will likely increase organisational M&A capacity, allowing the group to utilise its strong balance sheet for further acquisition growth.

Addtech: Historical key financials and M&A

SEKm	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	Q1-Q3 25/26
Net sales*	2 360	2 275	2 210	2 422	3 362	3 661	4 198	4 445	3 680	4 418	5 200	5 403	6 089	5 719	6 155	7 178	8 022	10 148	11 735	11 336	14 038	18 714	20 019	21 796	16 845
Net sales growth (%)	*-5,7%*	*-3,6%*	*-2,9%*	*9,6%*	*38,8%*	*8,9%*	*14,7%*	*5,9%*	*-17,2%*	*20,1%*	*17,7%*	*3,9%*	*12,7%*	*na*	*7,6%*	*16,6%*	*11,8%*	*26,5%*	*15,6%*	*-3,4%*	*23,8%*	*33,3%*	*7,0%*	*8,9%*	*5,0%*
Organic growth (%)	*-20%*	*-6%*	*-5%*	*6%*	*9%*	*4%*	*4%*	*-4%*	*-18%*	*14%*	*7%*	*-4%*	*2%*	*nd*	*0%*	*7%*	*5%*	*11%*	*8%*	*-8%*	*15%*	*18%*	*0%*	*2%*	*2%*
Acquired growth (%)	*11%*	*3%*	*3%*	*4%*	*28%*	*6%*	*10%*	*10%*	*0%*	*11%*	*12%*	*9%*	*11%*	*nd*	*8%*	*9%*	*6%*	*12%*	*7%*	*7%*	*9%*	*12%*	*5%*	*7%*	*6%*
FX effects/other (%)	*3%*	*0%*	*-1%*	*0%*	*2%*	*-1%*	*1%*	*0%*	*1%*	*-5%*	*-1%*	*-2%*	*0%*	*nd*	*0%*	*1%*	*1%*	*4%*	*1%*	*-3%*	*0%*	*4%*	*2%*	*0%*	*-3%*
EBITA**	87	103	103	170	274	367	431	403	245	414	516	495	577	510	536	715	838	1 085	1 364	1 251	1 803	2 540	2 860	3 265	2 630
EBITA margin (%)	*3,7%*	*4,5%*	*4,6%*	*7,0%*	*8,2%*	*10,0%*	*10,3%*	*9,1%*	*6,6%*	*9,4%*	*9,9%*	*9,2%*	*9,5%*	*8,9%*	*8,7%*	*10,0%*	*10,4%*	*10,7%*	*11,6%*	*11,0%*	*12,8%*	*13,6%*	*14,3%*	*15,0%*	*15,6%*
Net income to parent co	53	64	64	118	193	253	284	267	147	262	322	318	363	313	314	440	514	660	862	706	1 074	1 495	1 632	1 892	1 544
EBITA/working capital (%)	*18,2%*	*22,0%*	*26,7%*	*38,0%*	*52,6%*	*61,9%*	*59,1%*	*48,0%*	*33,4%*	*55,0%*	*57,9%*	*51,1%*	*53,7%*	*47,0%*	*44,4%*	*52,5%*	*52,7%*	*53,5%*	*56,5%*	*51,8%*	*68,9%*	*65,9%*	*67,8%*	*75,7%*	*78,5%*
Share count, year-end (m)	334,4	334,4	318,2	304,0	304,0	283,6	283,6	272,8	272,8	272,8	272,8	272,8	272,8	272,8	272,8	272,8	272,8	272,8	272,8	272,8	272,8	272,8	272,8	272,8	272,8
EBITA/share	0,26	0,31	0,32	0,56	0,90	1,29	1,52	1,48	0,90	1,52	1,89	1,81	2,12	1,87	1,96	2,62	3,07	3,98	5,00	4,59	6,61	9,31	10,48	11,97	9,64
EPS	0,16	0,19	0,20	0,39	0,63	0,89	1,00	0,98	0,54	0,96	1,18	1,17	1,33	1,15	1,15	1,61	1,88	2,42	3,16	2,59	3,94	5,48	5,98	6,94	5,66
Financial net debt/EBITDA (x)	0,6	0,0	-0,2	0,2	0,3	0,6	0,8	0,7	0,6	0,8	1,0	1,4	1,2	1,2	1,4	1,3	1,6	1,7	1,6	2,1	2,0	1,5	1,4	1,4	1,2
Net debt excl pensions/EBITDA (x)	0,0	-0,5	-0,8	-0,6	-0,2	0,2	0,4	0,3	-0,1	0,4	0,6	1,0	0,8	0,8	1,1	1,1	1,3	1,5	1,4	1,9	1,8	1,4	1,4	1,4	1,2
Interest coverage ratio (x)	6,9	8,6	10,5	17,7	24,2	25,5	18,9	14,7	12,4	19,5	15,8	14,2	17,5	21,9	20,3	23,9	22,7	22,1	20,5	15,8	22,4	13,7	8,7	9,6	13,1
Number of acquisitions	2	2	1	3	4	5	11	4	1	12	7	10	5	9	10	10	11	14	12	14	13	10	10	12	8
Assessed annual sales***	40	130	100	650	135	300	381	132	50	620	435	595	299	560	643	503	698	960	741	1 140	1 430	855	865	1 590	1 422
Assessed annual sales/acq	20	65	100	217	34	60	35	33	50	52	62	59	60	62	64	50	63	69	62	81	110	86	87	133	178
Acquired sales****	nd	nd	nd	nd	144	338	375	135	42	637	453	630	300	465	570	528	700	870	750	1 080	1 500	995	910	1 650	467
Acquired EBITA****	nd	nd	nd	nd	nd	nd	31	17	4	88	54	60	36	40	53	76	94	93	62	180	210	178	232	308	75
EBITA margin (%)	*na*	*na*	*na*	*na*	*na*	*na*	*8,1%*	*12,3%*	*8,8%*	*13,8%*	*11,9%*	*9,5%*	*12,0%*	*8,6%*	*9,3%*	*14,4%*	*13,4%*	*10,7%*	*8,3%*	*16,7%*	*14,0%*	*17,9%*	*25,5%*	*18,7%*	*16,0%*
Acquired sales/acq	na	na	na	na	36	68	34	34	42	53	65	63	60	52	57	53	64	62	63	77	115	100	91	138	58
Acquired EBITA/acq	na	na	na	na	na	na	3	4	4	7	8	6	7	4	5	8	9	7	5	13	16	18	23	26	9
Net cash deployed on acq	13	41	20	103	82	159	168	58	22	262	260	311	205	268	623	335	477	645	430	1 219	1 139	1 204	1 303	1 602	492
CCs for previous acq	nd	nd	nd	nd	46	15	27	22	9	3	40	32	40	5	50	20	65	116	79	78	144	192	200	129	159
Purchase consideration*****	13	41	20	107	45	146	141	82	12	270	220	279	166	263	813	316	448	564	352	1 119	1 006	1 016	1 108	1 471	314
Contingent consideration******	nd	nd	nd	63	13	42	33	25	4	65	39	25	34	40	62	107	182	113	97	426	263	217	421	440	130
Total consideration	na	na	na	170	58	188	174	106	16	335	259	304	200	303	875	423	630	677	449	1 545	1 269	1 233	1 529	1 911	444
Contingent/total (%)	na	na	na	37%	22%	22%	19%	23%	24%	19%	15%	8%	17%	13%	7%	25%	29%	17%	22%	28%	21%	18%	28%	23%	29%
Sales multiple initial******* (x)	na	na	na	na	0,3	0,4	0,4	0,6	0,3	0,4	0,5	0,4	0,6	0,6	1,4	0,6	0,6	0,6	0,5	1,0	0,7	1,0	1,2	0,9	0,7
EBITA multiple initial***** (x)**	na	na	na	na	na	na	4,6	4,9	3,3	3,1	4,1	4,7	4,6	6,6	15,3	4,2	4,8	6,1	5,7	6,2	4,8	5,7	4,8	4,8	4,2
Sales multiple total******* (x)	na	na	na	na	0,4	0,6	0,5	0,8	0,4	0,5	0,6	0,5	0,7	0,7	1,5	0,8	0,9	0,8	0,6	1,4	0,8	1,2	1,7	1,2	1,0
EBITA multiple total***** (x)**	na	na	na	na	na	na	5,7	6,4	4,3	3,8	4,8	5,1	5,6	7,6	16,5	5,6	6,7	7,3	7,2	8,6	6,0	6,9	6,6	6,2	6,0

*Note: Per share items are split-adjusted, *up to 2013/2014 numbers include Addlife; ex-Addlife sales growth for fiscal year 2014/2015 not disclosed, **estimates up to 2013/2014 due to insufficient disclosure, ***reported local currency figures converted to SEK using average FX rate in acquisition year if the company did not disclose SEK figure, ****disclosed pro-forma numbers in the year of acquisition; estimated EBITA figures in 2007/2008-2009/2010 as only EBIT was disclosed, *****net of acquired cash, ******maximum contingent consideration plus minority interests if applicable; maximum contingent consideration estimated if not disclosed, *******based on full-year figures in year of acquisition*

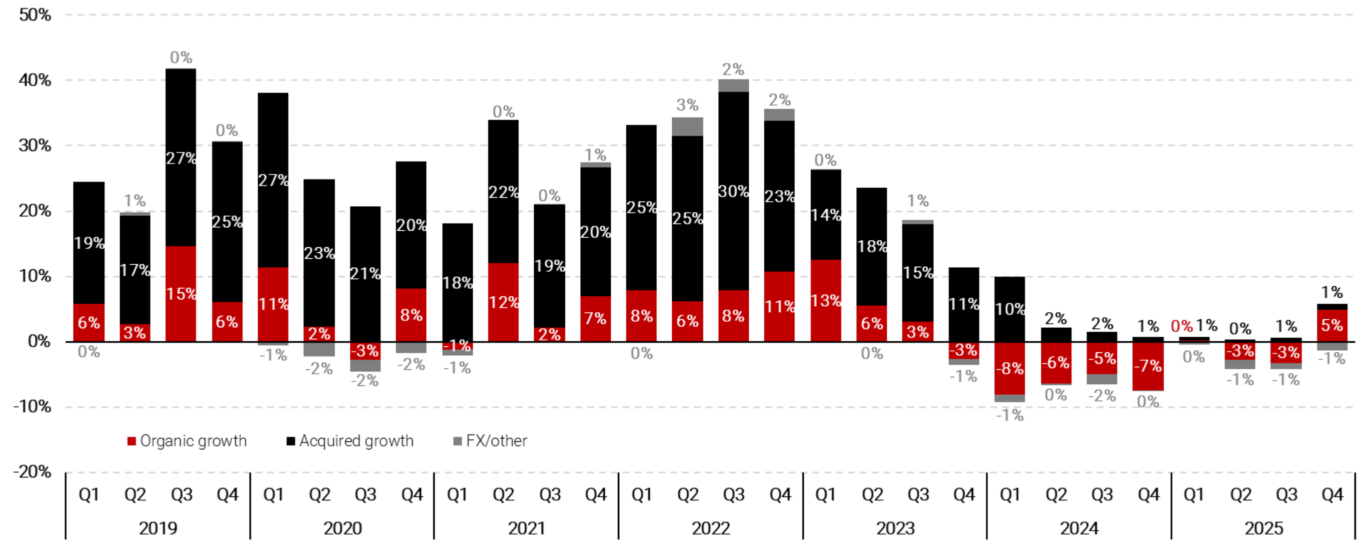
Source: Addtech company filings (financial figures), Redeye Research (estimates, table structuring)

Roll-ups

Instalco Q4 2025: Implementing changes

Instalco's net sales grew from cSEK3,610m in Q4 2024 to cSEK3,766m in Q4 2025, representing growth of c4% y/y (c5% organic, c1% acquired, c-1% FX). The returning CEO and former chairman of the board, Per Sjöstrand, is implementing changes with an increased focus on decentralised decision-making and responsibility, and it seems to be having a positive effect. Mr. Sjöstrand is cautiously optimistic going into 2026 and believes Instalco has room to improve further once the new strategy takes full effect. Organic growth rebounded to positive territory for the first time since Q3'23, with a clear improvement in EBITA margins. The company sees a bit better demand picture, but will remain hesitant to draw too many conclusions on one quarter of better demand. They also note that H1 is seasonally weaker and that geographical deviations will remain intact.

Instalco: Quarterly net sales growth in Q1 2019-Q4 2025 (%)



Note: FX/other represents difference between net sales growth and sum of organic and acquired growth

Source: Instalco company filings (financial figures), Redeye Research (chart structuring)

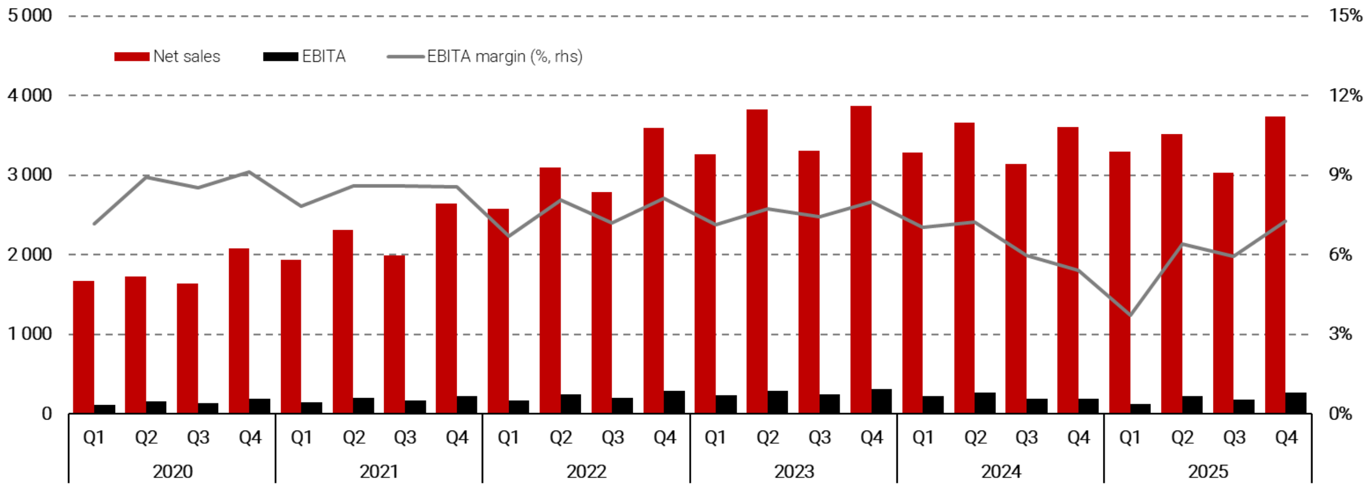
EBITA increased from cSEK195m in Q4 2024 to cSEK272m in Q4 2025, i.e., EBITA margin strengthened by c2%-points to c7%. We think this is a sign that Instalco's laser focus on improving margins through cost control and regular follow-ups is starting to have a real effect. We still think Instalco needs a broader market recovery to reach its margin target in the near to medium term, but they are doing a good job on what they can control internally. An additional positive for Instalco is that the market recovery seems increasingly stable with each passing quarter at this stage.

Operating cash flow fell from cSEK471m in Q4 2024 to cSEK451m in Q4 2025 due to less favourable working capital changes. Instalco's LTM lease-adjusted free cash flow to equity (FCFE) has increased from cSEK528m in Q4 2024 to cSEK591m in Q4 2025 as more favourable working capital changes offset lower earnings. Despite solid organic growth in Q4, we noted a solid WC release, which is impressive. Instalco is working to improve its working capital efficiency, aiming to increase cash flow generation and lower net leverage, and we argue this was a clear step in the right direction.

Instalco's share currently trades at c13-12x EV/EBITA and c20-14x P/E on 2025-2026e FactSet consensus figures. The share initially traded down after Q3 figures but started gaining some momentum heading into Q4 earnings. The Q4 earnings were well received, and we think the SEK25 level it has been hovering around for the last couple of months is a thing of the past.

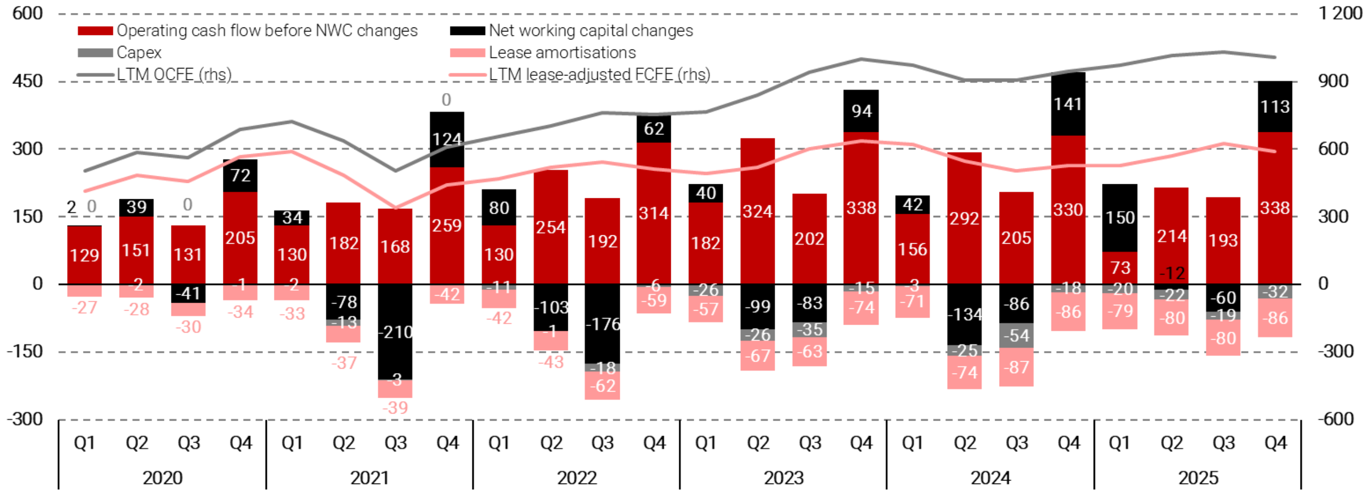
While the stock remains cheap on a multiple basis, we believe roll-ups like Instalco deserve a clear discount relative to more resilient, higher-quality niche acquirers. The share should have plenty of upside potential in a cyclical upturn, though we expect most niche acquirers with higher returns on capital to compound better over time.

Instalco: Net sales and EBITA development Q1 2020-Q4 2025 (SEKm)



Source: Instalco company filings (financial figures), Redeye Research (table structuring)

Instalco: Operating cash flow (OCFE) and free cash flow to equity (FCFE) in Q1 2020-Q4 2025 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: Instalco company filings (financial figures), Redeye Research (chart structuring)

Instalco: Being more disciplined in M&A decisions

Instalco has not closed any new acquisitions since our Q3 2025 update. The company has acquired cSEK55m in annual sales over the last 12 months, corresponding to an estimated growth contribution of c0.4%. In addition, it has acquired a minority stake in German Fabri AG. Instalco appears to be aware of its relatively high leverage and has therefore held back on new M&A this year. Further, Instalco's report states that its next phase of growth will not emphasise M&A volume for its own sake, but rather industrial logic. Its expansion to Germany through Fabri is part of this agenda.

Reported net debt/EBITDA has risen from c2.7x to c2.8x over that period, exceeding its target of at most 2.5x. We believe Instalco's balance sheet remains somewhat stretched, and that the company will need to reinvigorate profit growth and amortise debt to return net leverage to more moderate levels. Thus, we judge that M&A will remain subdued over the coming year. Note that cited leverage ratios do not include Instalco's put/call options for its planned further purchases of stakes in Fabri AG (it currently owns c24%).

Instalco: Acquisitions in the last four quarters

Company	Segment	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
Alf Näslunds Eltjänst AB	Sweden	Mar 2025	55	0.4%
Fabri AG (24% minority)	Germany	Mar 2025	800	na
Total			55	0.4%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Instalco's LTM sales in the quarter when an acquisition occurred*

Source: Instalco company filings (financial figures), Redeye Research (estimates, table structuring)

Instalco: Historical key financials and M&A

SEKm	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net sales	1 369	2 407	3 114	4 414	5 692	7 122	8 890	12 063	14 279	13 690	13 598
Net sales growth (%)	*171,3%*	*75,8%*	*29,4%*	*41,8%*	*28,9%*	*25,1%*	*24,8%*	*35,7%*	*18,4%*	*-4,1%*	*-0,7%*
Organic growth (%)	*26,6%*	*22,0%*	*-1,7%*	*6,6%*	*4,0%*	*5,6%*	*4,2%*	*7,9%*	*4,6%*	*-6,5%*	*-0,3%*
Acquired growth (%)	*144,7%*	*53,9%*	*31,1%*	*33,6%*	*24,5%*	*21,3%*	*20,6%*	*26,2%*	*13,9%*	*3,1%*	*0,7%*
FX/other growth (%)	*0,0%*	*0,0%*	*0,0%*	*1,6%*	*0,4%*	*-1,8%*	*0,0%*	*1,6%*	*-0,1%*	*-0,7%*	*-1,1%*
EBITA	49	140	244	334	493	605	748	916	1 085	879	800
EBITA margin (%)	*3,6%*	*5,8%*	*7,8%*	*7,6%*	*8,7%*	*8,5%*	*8,4%*	*7,6%*	*7,6%*	*6,4%*	*5,9%*
Net income to parent co	34	91	171	248	370	456	546	520	601	345	343
Share count, year-end (m)	nd	nd	235,1	241,1	247,0	259,7	260,6	260,6	264,1	264,1	268,8
EBITA/share	na	na	1,04	1,39	2,00	2,33	2,87	3,52	4,11	3,33	2,98
EPS	na	na	0,73	1,03	1,50	1,76	2,10	2,00	2,28	1,31	1,28
Number of acquisitions	6	10	18	16	19	18	27	16	11	3	1
Assessed annual sales	552	676	1 031	759	1 460	1 442	1 760	1 141	1 244	69	55
Assessed annual sales/acq	92	68	57	47	77	80	65	71	113	23	55
Acquired sales*	nd	832	1 103	787	1 514	1 399	1 885	1 686	1 633	52	82
Acquired EBIT*	nd	50	153	70	157	138	211	261	149	8	8
EBIT margin (%)	*na*	*6,0%*	*13,9%*	*8,9%*	*10,4%*	*9,9%*	*11,2%*	*15,5%*	*9,1%*	*15,4%*	*9,8%*
Acquired sales/acq	na	83	61	49	80	78	70	105	148	17	82
Acquired EBIT/acq	na	5	9	4	8	8	8	16	14	3	8
Net cash deployed on acq	148	325	426	369	560	582	968	1 065	1 188	397	315
CCs for previous acq + NCIs	25	19	31	78	94	97	66	195	215	354	291
Purchase consideration**	123	306	394	291	466	484	902	866	1 063	51	19
Contingent consideration**	3	26	88	77	138	186	389	167	157	23	10
Total consideration	126	332	482	368	604	670	1 291	1 033	1 220	74	29
Contingent/total (%)	3%	8%	18%	21%	23%	28%	30%	16%	13%	31%	34%
Sales multiple initial*** (x)	na	0,4	0,4	0,4	0,3	0,3	0,5	0,5	0,7	1,0	0,2
EBIT multiple initial*** (x)	na	6,1	2,6	4,1	3,0	3,5	4,3	3,3	7,1	6,4	2,4
Sales multiple total*** (x)	na	0,4	0,4	0,5	0,4	0,5	0,7	0,6	0,7	1,4	0,4
EBIT multiple total*** (x)	na	6,7	3,2	5,2	3,9	4,9	6,1	4,0	8,2	9,3	3,6

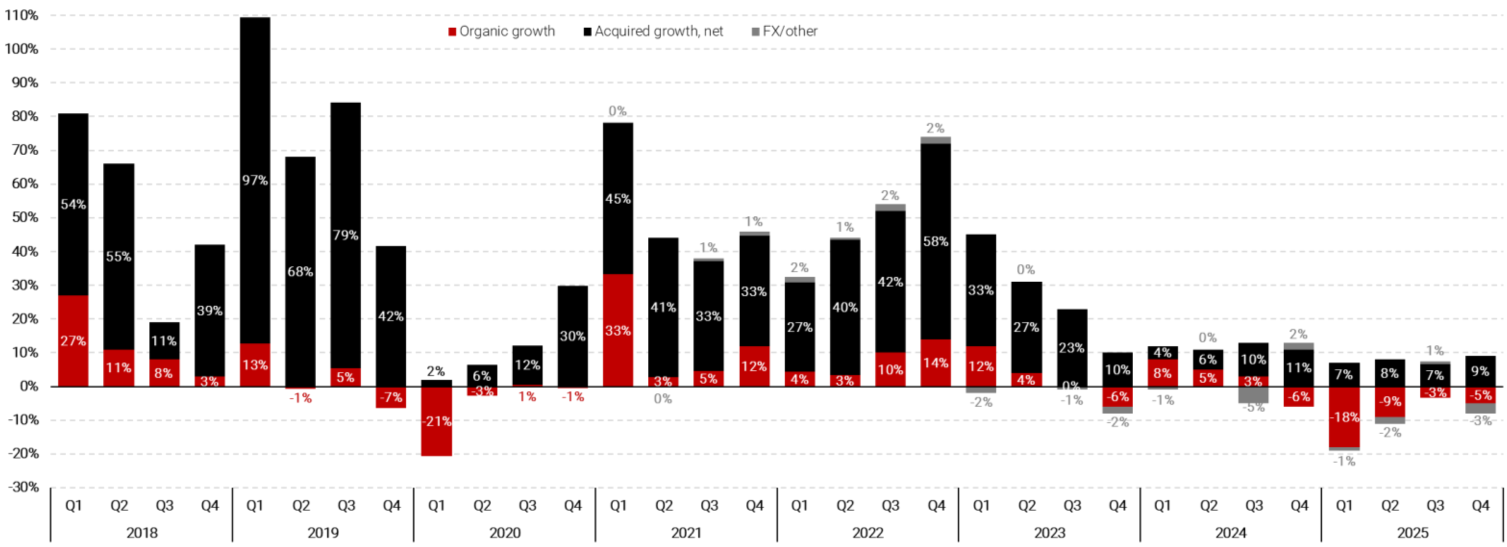
*Note: *full-year pro forma figures disclosed for acquired companies in the year of acquisition, Q1-Q4 2025 figures annualised; includes estimates for 2018-2019 due to insufficient disclosure, **net of acquired cash, maximum possible contingent consideration if disclosed ***based on full-year figures in acquisition year*

Source: Instalco company filings (financial figures), Redeye Research (estimates, table structuring)

Green Landscaping Q4 2025: Set up for a recovery in 2026

Net sales grew from cSEK1,774m in Q4 2024 to cSEK1,791m in Q4 2025, corresponding to growth of c1% y/y (c-5% organic, c9% acquired, c3% FX). Norway continues to be the main driver of soft organic growth, posting c-11% y/y as market conditions remain tough. On a more positive note, the negative development we have seen in Sweden in recent quarters seems to have stabilised, with flat growth in Q4. Region Other Europe performed decently, delivering organic growth of c1%. As comparables will continue to ease in the coming quarters, we believe there are decent chances that Green Landscaping's organic growth will return to positive territory. Still, an expected market recovery does not seem likely in the near term, at least not in Norway. However, the CEO Johan Nordström noted that the group should be able to perform better even without a significant market recovery in 2026, following the restructurings it has done during 2025.

Green Landscaping: Quarterly net sales growth in Q1 2018-Q4 2025 (%)



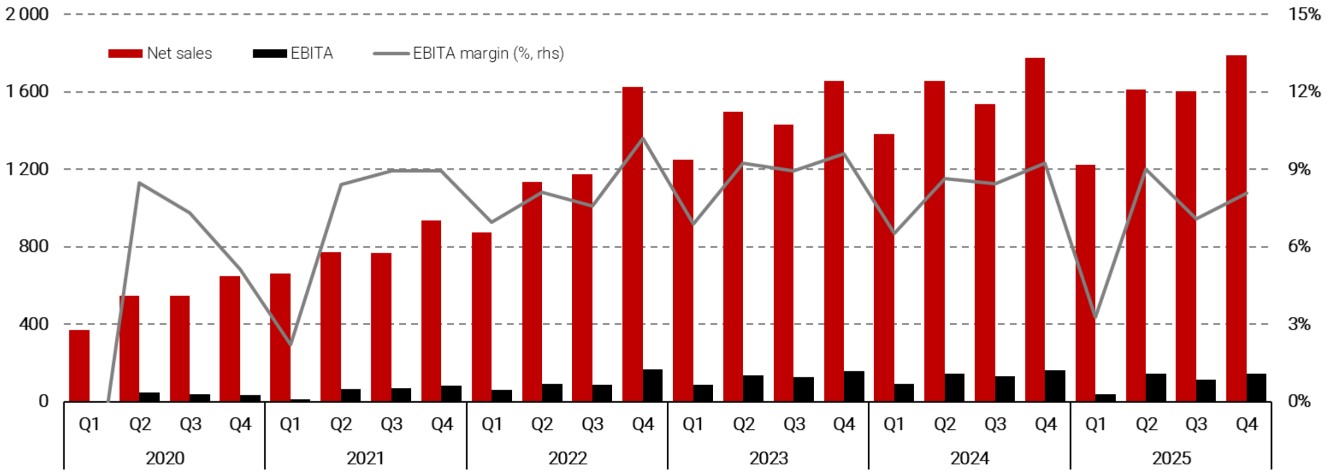
Note: Acquired growth net of divestments

Source: Green Landscaping company filings (financial figures), Redeye Research (chart structuring)

EBITA nudged down from cSEK164m in Q4 2024 to cSEK145m in Q4 2025, representing a decline of c-11% y/y (c-30% organic, c23% acquired, c-5% FX). Thus, EBITA margin contracted by c1%-point y/y to c8%. Green noted that recent margin initiatives in Sweden have begun to take hold, though continued market weakness in Norway offset these effects. With recent success in the region Other Europe, it is increasingly becoming part of the business case going forward, with its LTM share of EBITA now constituting 59% of the group's total.

Region Norway's EBITA margin declined from c12% in Q4 2024 to c4% in Q4 2025. Tough pricing pressure in the market is the main driver of the lower profitability. Region Sweden's profitability remained subpar, but EBITA increased by c1%-point y/y to c4% as profitability initiatives are progressing and beginning to make a difference. We expect market conditions in Sweden and Norway to remain challenging, though an increased margin focus should lead to some improvement in profitability. Indeed, Green Landscaping noted that it expects improvements in Sweden's profitability during 2026e. Norway's path to recovery might be slightly longer.

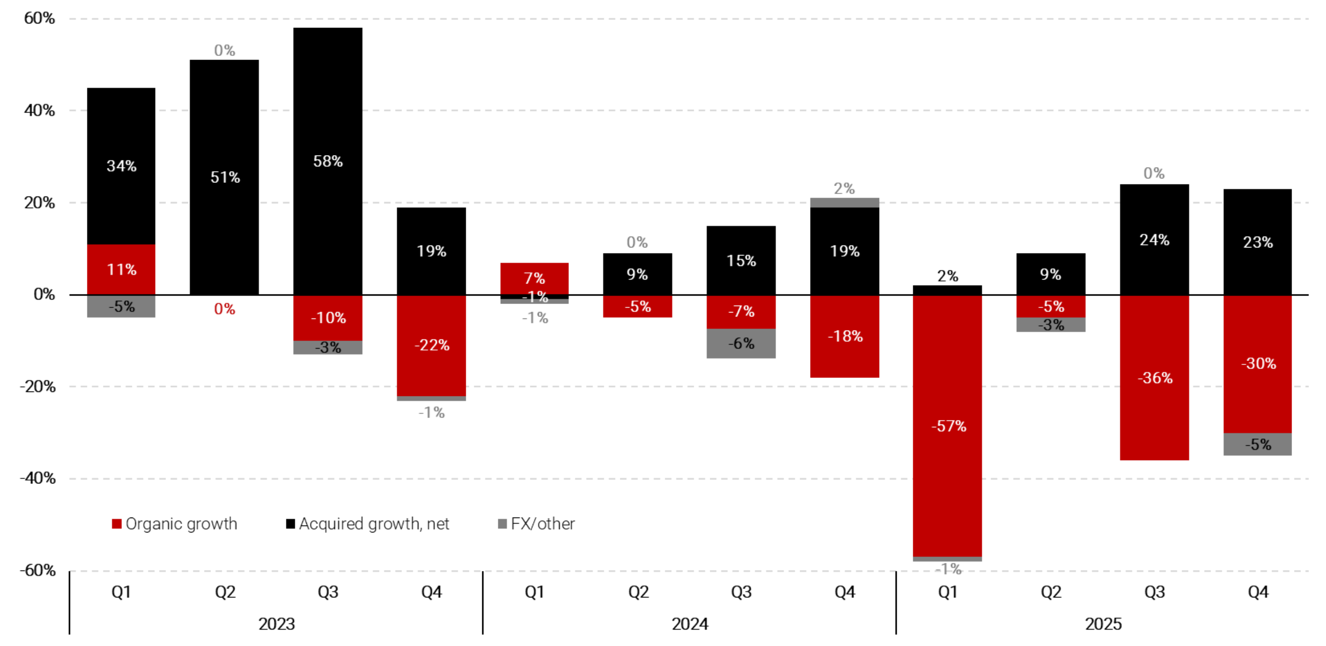
Green Landscaping: Net sales and EBITA development Q1 2020-Q4 2025 (SEKm)



Source: Green Landscaping company filings (financial figures), Redeye Research (chart structuring)

In contrast, region Other Europe's EBITA margin expanded by c1%-point y/y to c22% this quarter, with subsidiaries in Germany posting strong results. Thus, region Other Europe's strong performance continues to buffer weakness in Sweden and Norway. Organic EBITA growth has been negative for seven consecutive quarters, and we believe that restoring solid profitability in regions Sweden and Norway will be key to regaining investor confidence. A combination of margin initiatives and a gradual market recovery could result in decent organic EBITA growth in 2026e, especially considering very weak comparables. Still, we believe that Green Landscaping needs to demonstrate that the companies it buys can grow earnings and maintain or expand margins over time. Otherwise, there will be a vicious cycle of trying to paper over underperforming, older subsidiaries with new, high-margin M&A.

Green Landscaping: Quarterly EBITA growth in Q1 2023-Q4 2025 (%)

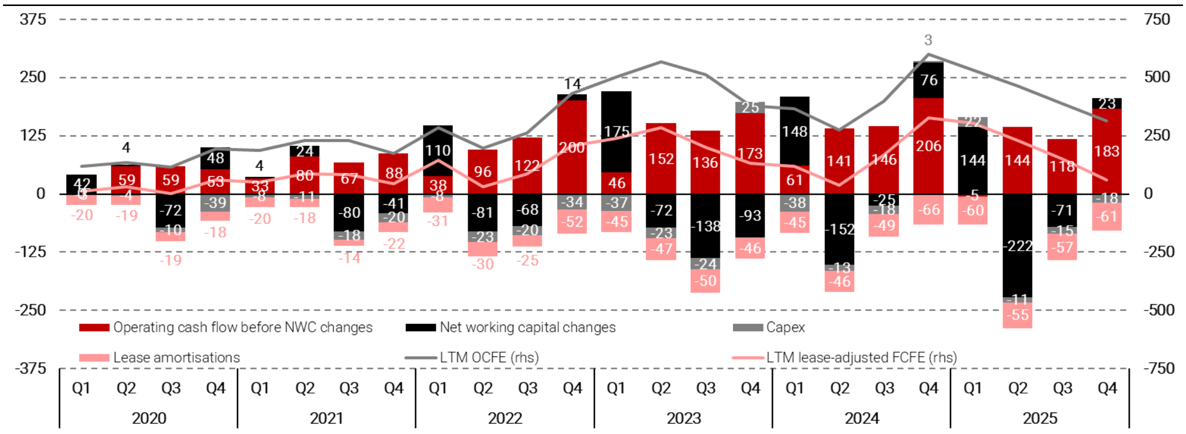


Note: Acquired growth net of divestments

Source: Green Landscaping company filings (financial figures), Redeye Research (chart structuring)

Operating cash flow decreased from cSEK282m in Q4 2024 to cSEK206m in Q3 2025, primarily due to lower earnings and less favourable working capital changes. LTM lease-adjusted FCFE fell from cSEK328m in Q4 2024 to cSEK59m in Q4 2025, deriving from lower earnings, less favourable NWC changes, and higher lease amortisations. Even though the quarter saw better cash flow conversion, we think there is more work to be done in that regard. Beyond normal seasonal patterns, we believe Green Landscaping needs a reinvigoration of earnings growth to expand long-term cash flow generation.

Green Landscaping: OCFE and FCFE in Q1 2020-Q4 2025 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: Green Landscaping company filings (financial figures), Redeye Research (chart structuring)

Green Landscaping's share trades at c17-10x P/E on 2025-2026e FactSet consensus figures. Thus, consensus figures seem to pencil in a clear earnings rebound next year, following rather soft performance this year. Green Landscaping's share price reacted negatively to Q3 figures but trended upwards until the Q4 report, which was again viewed with caution by investors. The stock should be relatively cheap at current levels if a profit rebound indeed materialises in 2026e. Still, we believe Green Landscaping's prolonged underperformance demonstrates that it exhibits significantly greater cyclicality than many investors expected. Therefore, we believe it is appropriate for the company to trade at significantly lower multiples than higher-quality peers.

Green Landscaping: Continues the beaten track

Green Landscaping has announced one M&A deals since our Q2 2025 update. Specifically, it acquired Finke Landschaft + Straße (annual sales cEUR12m). The company has acquired cSEK526m in annual sales over the last four quarters, corresponding to an estimated growth contribution of c8%. Including the deal announced after the end of Q4 2025, acquired sales amount to cSEK653m over the last 12 months (estimated growth contribution c11%). Green Landscaping has been successful in its geographical expansion so far, and we think the strategy will remain, although we hope they also prioritize the turnaround in Sweden and Norway.

Green Landscaping: Acquisitions in the last four quarters

Company	Segment	Consolidated	Sales* (SEKm)	Growth contribution (%, versus LTM)**
Finke Landschaft + Straße GmbH	Other Europe	2026-01-20	127	2,0%
UAB Economus	Other Europe	2025-12-31	38	0,6%
Marco Schulz Forst- & Landschaftsbau GmbH	Other Europe	2025-11-03	100	1,6%
Tessmer & Sohn Straßenbaugesellschaft mbH	Other Europe	2025-07-18	176	2,8%
Wagner Straßen-, Tief- & Rohrleitungsbau GmbH	Other Europe	2025-05-09	120	2,0%
Tiefbau Lenzen GmbH	Other Europe	2025-01-01	92	1,4%
Total			653	10,5%

**Based on most recent disclosed 12-month sales figure **Most recent disclosed 12-month sales as a percentage of Green Landscaping's LTM sales in the quarter when an acquisition occurred*

Source: Green Landscaping company filings (financial figures), Redeye Research (estimates, table structuring)

Green Landscaping acquired Finke Landschaft + Straße in late January 2026. The company, headquartered in Borken, North Rhine-Westphalia, Germany, provides groundwork, sewer construction, and landscaping services for a broad and long-standing customer base throughout Germany. Green Landscaping cites its annual sales as cEUR12m. We were only able to find limited financial data for this company. Like this acquisition, we expect Green Landscaping's M&A agenda to remain focused on the DACH region. While it is likely too early to tell, subsidiaries in the region display greater stability and significantly higher margins than their Scandinavian equivalents. A larger pool of potential acquisition candidates likely also allows Green Landscaping to focus on attracting the highest-quality ones, i.e., average margins across all firms in the sector might not differ as much between DACH and the Nordics.

Green Landscaping's reported net debt/pro-forma EBITDA has risen from c2.5x at year-end 2024 to c3.0x at the end of Q4 2025. Thus, the company seems to prioritise maintaining decent M&A volume over its leverage target. The gearing goal admittedly states that net debt/EBITDA should not exceed 2.5x in the long term, leaving room for higher levels in the short to medium term. Still, we consider the company's current leverage stretched and would prefer a slightly lower M&A pace until profits and gearing have normalised. From a stock perspective, papering over poor organic growth with more M&A usually does not work, based on our experience.

Green Landscaping: Historical key financials and M&A

SEKm	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net sales	614	606	611	702	775	751	681	797	1 176	1 973	2 113	3 139	4 810	5 831	6 352	6 229
Net sales growth (%)	*nd*	*-1,3%*	*0,8%*	*14,9%*	*10,4%*	*-3,1%*	*-9,3%*	*17,0%*	*47,6%*	*67,8%*	*7,1%*	*48,6%*	*53,2%*	*21,2%*	*8,9%*	*-1,9%*
Organic growth (%)	*nd*	*nd*	*nd*	*11%*	*12%*	*-3%*	*-10%*	*2%*	*8%*	*2%*	*-6%*	*12%*	*7%*	*3%*	*3%*	*-8%*
Acquired growth (%)	*nd*	*nd*	*nd*	*nd*	*nd*	*0%*	*0%*	*16%*	*40%*	*67%*	*13%*	*36%*	*44%*	*19%*	*7%*	*8%*
FX effects/other (%)	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*2%*	*-1%*	*-1%*	*-2%*
EBITA	nd	-25	12	15	4	-4	9	30	18	57	101	232	407	512	528	444
EBITA margin (%)	*na*	*-4,1%*	*2,0%*	*2,1%*	*0,5%*	*-0,5%*	*1,3%*	*3,8%*	*1,5%*	*2,9%*	*4,8%*	*7,4%*	*8,5%*	*8,8%*	*8,3%*	*7,1%*
Organic growth (%)	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*-11%*	*-5%*	*-25%*
Acquired growth (%)	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*38%*	*9%*	*12%*
FX effects/other (%)	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*nd*	*-1%*	*-1%*	*-3%*
Net income to parent co	-49	-38	-15	-11	-28	-34	-5	4	-6	7	38	92	184	216	196	128
Share count, year-end (m)	nd	nd	nd	nd	nd	nd	nd	31,9	35,8	36,0	47,7	52,7	55,4	56,8	56,8	56,8
EBITA/share	na	na	na	na	na	na	na	0,94	0,50	1,59	2,12	4,40	7,35	9,01	9,30	7,82
EPS	na	na	na	na	na	na	na	0,13	-0,16	0,20	0,79	1,74	3,32	3,80	3,45	2,25
Number of acquisitions*	1	0	0	1	1	0	0	4	3	1	7	9	11	3	9	4
Acquired sales**	90	na	na	27	58	na	na	335	882	42	685	820	1 752	281	532	383
Estimated EBIT**	nd	na	na	3	7	na	na	35	21	7	85	136	191	62	50	59
Estimated EBIT margin (%)	*nd*	*na*	*na*	*12,5%*	*12,2%*	*na*	*na*	*10,4%*	*2,4%*	*16,6%*	*12,4%*	*16,6%*	*10,9%*	*22,1%*	*9,4%*	*15,4%*
Acquired sales/acq	90	na	na	27	58	na	na	84	294	42	98	91	159	94	59	96
Acquired EBIT/acq	na	na	na	3	7	na	na	9	7	7	12	15	17	21	6	15
Net cash deployed on acq	47	0	0	18	20	0	0	76	213	15	364	434	728	220	327	213
CCs for previous acq	0	0	0	0	0	0	0	0	19	8	6	5	90	12	14	98
Purchase consideration***	57	na	na	18	20	na	na	126	405	21	407	563	809	267	372	250
Contingent consideration	nd	na	na	nd	nd	na	na	40	13	7	111	30	248	1	144	72
Total consideration	na	na	na	nd	nd	na	na	166	418	28	517	592	1 057	268	516	322
Contingent/total (%)	na	na	na	na	na	na	na	24%	3%	25%	21%	5%	23%	0%	28%	22%
Sales multiple initial***** (x)	0,6	na	na	0,7	0,4	na	na	0,4	0,5	0,5	0,6	0,7	0,5	1,0	0,7	0,7
EBIT multiple initial***** (x)	na	na	na	5,3	2,9	na	na	3,6	19,5	3,0	4,8	4,1	4,2	4,3	7,4	4,2
Sales multiple total***** (x)	na	na	na	na	na	na	na	0,5	0,5	0,7	0,8	0,7	0,6	1,0	1,0	0,8
EBIT multiple total***** (x)	na	na	na	na	na	na	na	4,8	20,1	4,0	6,1	4,4	5,5	4,3	10,3	5,5

*Note: *disclosed acquisitions, **full-year sales and EBIT figures as disclosed by the company or Redeye estimates in years with insufficient disclosure, Q1-Q4 2025 estimated, ***net of acquired cash, including disclosed or estimated payments with shares or other non-cash considerations, ****based on full-year figures*

Source: Green Landscaping company filings (financial figures), Redeye Research (estimates, table structuring)

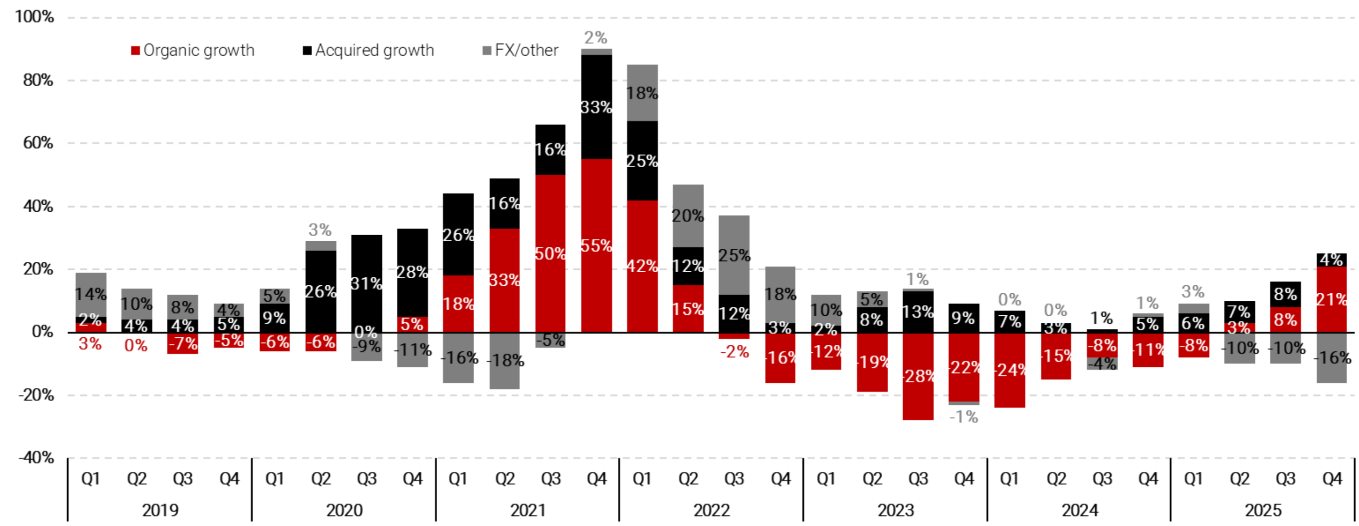
NCAB Q4 2025: Impressive momentum

NCAB's net sales grew from cSEK830m in Q4 2024 to cSEK902m in Q4 2025, representing growth of c9% y/y (c21% organic, c4% acquired, c-16% FX). While the company continues to face steep FX headwinds, its underlying business momentum is undeniable. Order intake grew organically by c33% y/y, boding well for NCAB's recent organic top-line recovery persisting in the coming quarters.

Region Nordic reported organic sales growth of c32% y/y, while FX-neutral order intake grew 40% y/y, driven by continued strong demand in defence and energy, with customers pre-ordering equipment to a greater extent than before. Encouragingly, region Europe's organic net sales were up 19% y/y and organic order intake grew by c21%, signalling a nascent recovery in all markets except the UK and Italy. Region North America posted organic net sales and order intake growth of c19% and c31%, respectively, though against soft comparables. Similarly, region East featured solid y/y organic order intake growth of c49% and a book-to-bill ratio of 1.22.

NCAB has increasingly diversified its sourcing since 2018, with China's share falling from c95% that year to c74% in 2024. Instead, Europe, the US, Taiwan, and others have taken a larger share. Thus, it can help customers avoid tariffs by strategically choosing different sourcing countries. Still, many customers opt to continue working with Chinese manufacturers.

NCAB: Quarterly net sales growth in Q1 2019-Q4 2025 (%)



Note: FX/other represents difference between organic net sales growth in SEK and USD

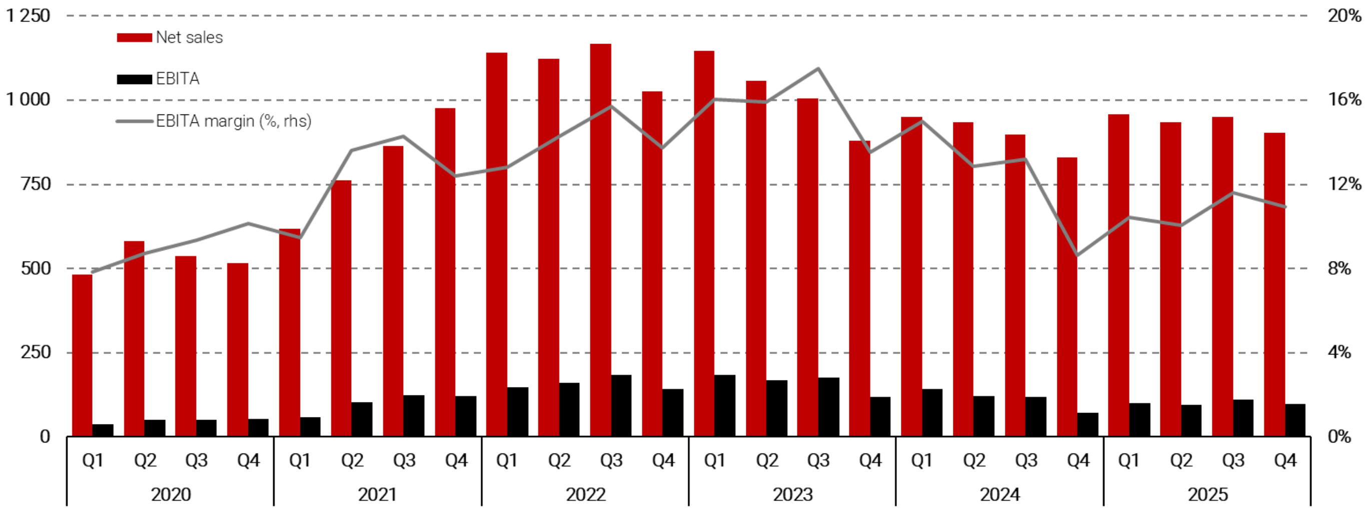
Source: NCAB company filings (financial figures), Redeye Research (chart structuring)

EBITA increased from cSEK72m in Q4 2024 to cSEK99m in Q4 2025, i.e., EBITA margin nudged up from c9% to c11% over that period. FX changes negatively affected EBITA by cSEK23m this quarter, meaning the underlying improvement was even stronger.

Gross margin was flat y/y at c36% and has been stable in recent quarters. Regions Nordic had flat EBITA margins y/y at c16%, despite FX headwinds. Region Europe saw EBITA margin improve to c9% (c1%) following operational momentum and margin-accretive M&A. Region North America and East contracted EBITA margins by c4%-points to c12% and c13%, respectively. Both regions saw opex increases y/y to keep up with the higher business momentum. We suspect a prolonged demand peak will lead to scalability soon.

Overall, we judge NCAB has defended its profitability well in recent years, considering economic and FX headwinds. The latter persists but should start subsiding in early 2026e, boding well for margin development over the coming year.

NCAB: Net sales and EBITA development Q1 2020-Q4 2025 (SEKm)

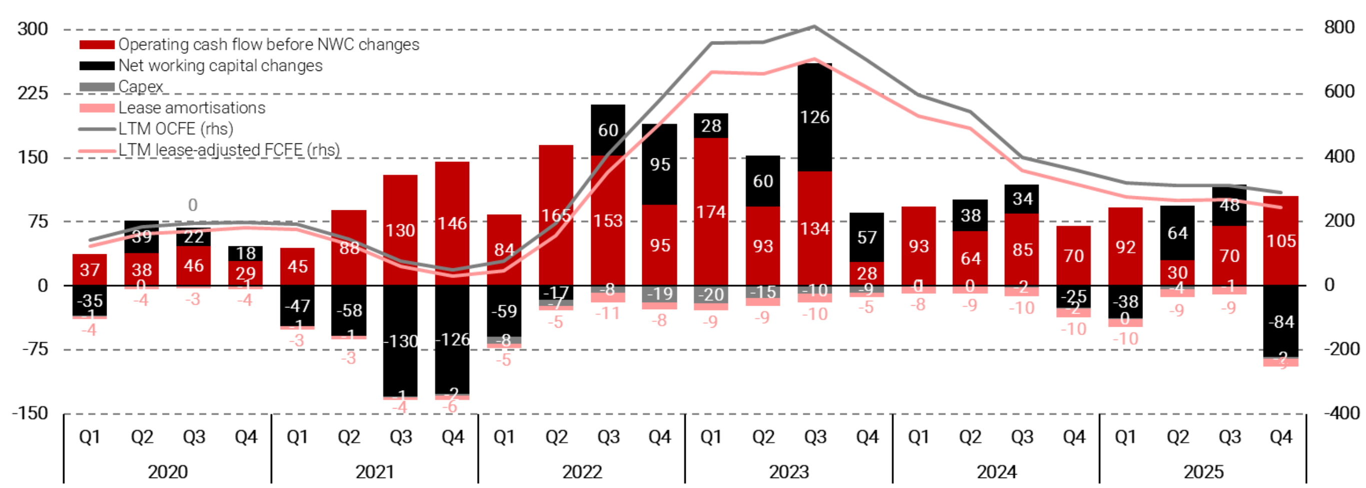


Source: NCAB company filings (financial figures), Redeye Research (chart structuring)

Operating cash flow decreased from cSEK53m in Q4 2024 to cSEK22m in Q4 2025, with less favourable working capital changes offsetting higher earnings. LTM lease-adjusted free cash flow to equity (FCFE) fell from cSEK316m in Q4 2024 to cSEK242m in Q4 2025, deriving primarily from less favourable working capital changes.

Given the strong business momentum NCAB currently experiences, it is only natural that we see working capital build up. Still, renewed earnings growth should drive lease-adjusted FCFE growth in the medium and long term.

NCAB: Operating cash flow (OCFE) and free cash flow to equity (FCFE) in Q1 2020-Q4 2025 (SEKm)



Note: OCFE = Net operating cash flow to equity, not lease-adjusted; Lease-adjusted FCFE = OCFE less investments in tangibles, investments in intangibles, and lease liability amortisations

Source: NCAB company filings (financial figures), Redeye Research (chart structuring)

NCAB's share trades at an EV/EBITA of c23x and P/E of c31x on 2026e FactSet consensus figures. The stock traded down after an initial spike to Q3 and bottomed below SEK 40 a few days before the Q4 numbers. The Q4 report sparked a rally that has taken the stock to cSEK55 now. We judge investor sentiment improves as NCAB shows signs of a nascent recovery despite economic conditions remaining somewhat soft and latent tariff fears. Still, market conditions seem to have stabilised, boding well for continued growth, which will likely support NCAB's fundamentals.

2026e numbers suggest an approximately fair valuation, in our view. The share's current price of cSEK55 remains far below its all-time high of cSEK100 in late 2021, though we believe earnings growth will be its primary driver. NCAB's marked cyclicality and potential future M&A could result in rapid earnings growth over coming years, fuelling further share price appreciation.

NCAB: Moderate M&A pace during 2025

NCAB has not announced any new M&A deals since our Q3 2025 update. The company has acquired cSEK260m in annual sales over the last four quarters, representing an estimated growth contribution of c7%. These acquirees collectively sport EBITA margins of c17%, clearly above the group's current profitability.

NCAB: Acquisitions in the last four quarters

Company	Consolidated	Sales* (SEKm)	EBITA (SEKm)*	Growth contribution (%, versus LTM)**
B&B Leiterplatten	2025-06-03	150	24	4,1%
Multi-Teknik	2025-12-19	110	20	3,0%
Total		260	44	7,1%

**Based on most recent disclosed 12-month sales and EBITA figures **Most recent disclosed 12-month sales as a percentage of NCAB's LTM sales in the quarter when an acquisition occurred*

Source: NCAB company filings (financial figures), Redeye Research (estimates, table structuring)

NCAB's total net debt/EBITDA (excluding IFRS 16 but including contingent considerations) has nudged up from c1.5x at year-end 2024 to c1.8x at the end of Q4 2025. We believe the company has decent financial headroom for additional M&A, as renewed earnings growth should support an increasing debt in absolute terms. Free cash flow should continue to provide a significant share of M&A spending power, as well. However, sustained organic growth will likely tie up some working capital. Still, we believe NCAB retains the ability to execute on potential acquisition opportunities when they present themselves.

Capital allocation: Overall similar KPI's as last year

With another year in the books, we revisit our review of Redeye SA index constituents' capital allocation. Since our last review in our Q4 2024 report, we have added Röko at the expense of the acquired Norva24.

Redeye SA index: M&A volume decreases further in 2025

Aggregate M&A volume in 2025 was down 15% compared to 2024, with an anticipated rebound seemingly delayed until 2026e. Specifically, aggregate M&A volume for Redeye SA index constituents totalled 102 acquisitions in 2025 (closed during the year), down from 120 in 2024. These figures represent an evident decline from the glory days of 2021. Dispersion in M&A volume per constituent has decreased markedly since 2021. The most notable difference is the lack of prolific acquirers making c20 or more acquisitions. Roll-ups like Instalco and Fasadgruppen completed 27 and 21 M&A deals in 2021, respectively, but declined to one each in 2025. Increased operational difficulties amidst a weakening economy and higher interest rates are reflected in the M&A volumes of constituents with marked cyclicality.

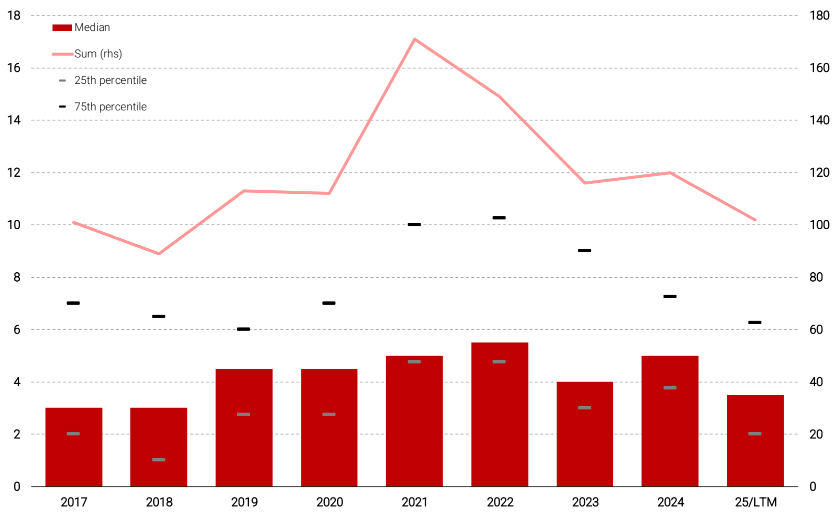
In contrast, more resilient acquirers like Lifco, Lagercrantz, and Bergman & Beving have not suffered the same drawdowns despite some cyclical exposure. Indeed, their M&A volumes remained at similar levels to 2020-2023, and in some cases even higher, as seen in Lagercrantz. We judge these companies' more conservative net leverage and solid cash flows enabled them to maintain their programmatic M&A strategies despite increased economic uncertainty. Still, we understand many sellers become more cautious in recessions, i.e., M&A opportunities might decline in these times despite acquirers having the financial capacity to ramp deal-making.

Redeye SA index: M&A volume slumps to a 7-year low

Redeye SA index: M&A volume for individual constituents in 2017-2025 (no. of deals)

No. of acquisitions	2017	2018	2019	2020	2021	2022	2023	2024	25/LTM
Volati	3,0	1,0	4,0	4,0	8,0	6,0	4,0	4,0	3,0
Momentum Group	1,0	1,0	1,0	1,0	5,0	4,0	11,0	8,0	6,0
Lagercrantz	6,0	1,0	6,0	7,0	7,0	8,0	9,0	7,0	12,0
Indutrade	12,0	9,0	15,0	10,0	17,0	16,0	9,0	16,0	13,0
Addlife	3,0	5,0	4,0	6,0	5,0	5,0	1,0	1,0	4,0
Addtech	11,0	14,0	12,0	14,0	13,0	10,0	10,0	12,0	5,0
Lifco	13,0	10,0	6,0	10,0	17,0	12,0	18,0	13,0	16,0
Fasadgruppen	3,0	3,0	8,0	5,0	21,0	20,0	4,0	5,0	1,0
Bergman & Beving	2,0	3,0	5,0	5,0	5,0	5,0	6,0	6,0	7,0
NCAB	0,0	0,0	2,0	2,0	4,0	2,0	4,0	5,0	2,0
Green Landscaping	4,0	3,0	1,0	7,0	9,0	11,0	3,0	9,0	4,0
Instalco	18,0	16,0	19,0	18,0	27,0	16,0	11,0	3,0	1,0
Vitec	1,0	4,0	5,0	5,0	5,0	5,0	6,0	7,0	2,0
Sdiptech	5,0	8,0	4,0	4,0	4,0	7,0	2,0	5,0	2,0
Röko	na	na	5,0	4,0	9,0	6,0	3,0	5,0	3,0
Beijer Alma	2,0	1,0	5,0	3,0	5,0	5,0	4,0	5,0	6,0
Idun Industrier	5,0	3,0	4,0	0,0	5,0	4,0	2,0	1,0	3,0
MedCap	2,0	1,0	2,0	2,0	0,0	1,0	3,0	2,0	3,0
OEM	2,0	1,0	2,0	1,0	1,0	1,0	3,0	0,0	1,0
Addnode	8,0	5,0	3,0	4,0	4,0	5,0	3,0	6,0	8,0
Mean	**5,3**	**4,7**	**5,7**	**5,6**	**8,6**	**7,5**	**5,8**	**6,0**	**5,1**
Median	**3,0**	**3,0**	**4,5**	**4,5**	**5,0**	**5,5**	**4,0**	**5,0**	**3,5**
25th percentile	2,0	1,0	2,8	2,8	4,8	4,8	3,0	3,8	2,0
75th percentile	7,0	6,5	6,0	7,0	10,0	10,3	9,0	7,3	6,3
Min	0,0	0,0	1,0	0,0	0,0	1,0	1,0	0,0	1,0
Max	18,0	16,0	19,0	18,0	27,0	20,0	18,0	16,0	16,0
Sum (rhs)	101,0	89,0	113,0	112,0	171,0	149,0	116,0	120,0	102,0

Redeye SA index: M&A volume in 2017-2025 (no. of deals)



Note: For companies with split fiscal years (Lagercrantz, Addtech, Bergman & Beving), data represent seven fiscal years (2017/2018-2024/2025) and LTM figures, 2025 figures for Idun represent LTM Q3 2025 as the company has not published its year-end report yet

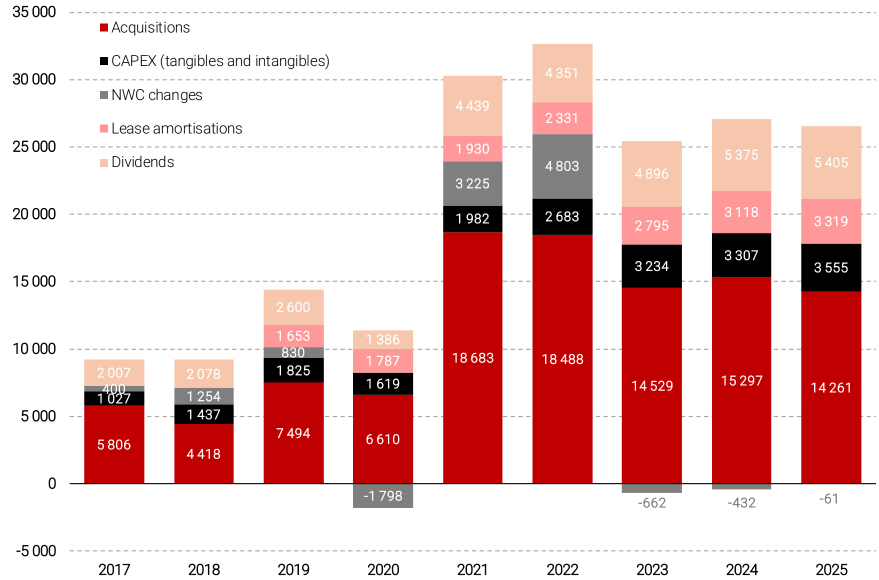
Source: Company filings and FactSet (financial figures), Redeye Research (table/chart structuring)

Redeye SA index: Cash flows continue to expand

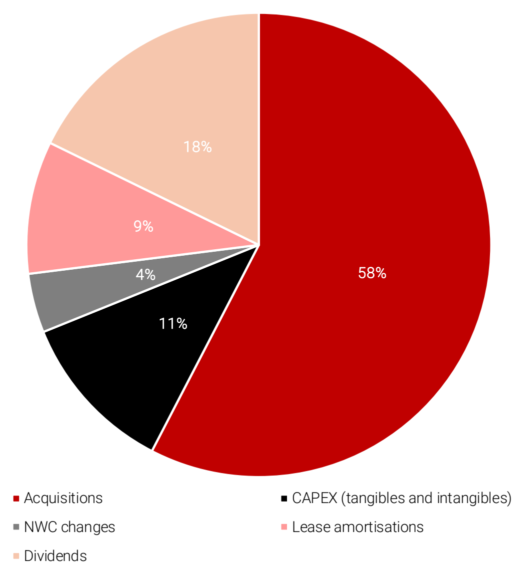
Operating cash flow before working capital changes (pre-NWC OCF) continued to dominate cash sources in 2025. Specifically, pre-NWC OCF clocked in at cSEK24.3bn or cSEK84% of cash sources in 2025, representing growth of c6% of 2024 levels of cSEK21.9bn and c82%. Both 2023 and 2024 came in above the aggregate c74% pre-NWC OCF in 2017-2025. This development mainly stems from a decline in net debt issuance in recent years, with some constituents realising they had overleveraged during the glory days of 2021-2022. Aggregate net debt issues for Redeye SA index constituents amounted to cSEK4.8bn or c17% of cash sources in 2025, representing continued declines from cSEK9.3bn-10.2bn and c32-33% in 2021-2022. Net share issues were also negative for the first time in 2025, as buybacks are becoming increasingly popular as another way to distribute capital.

Redeye SA index: Sources and uses of cash

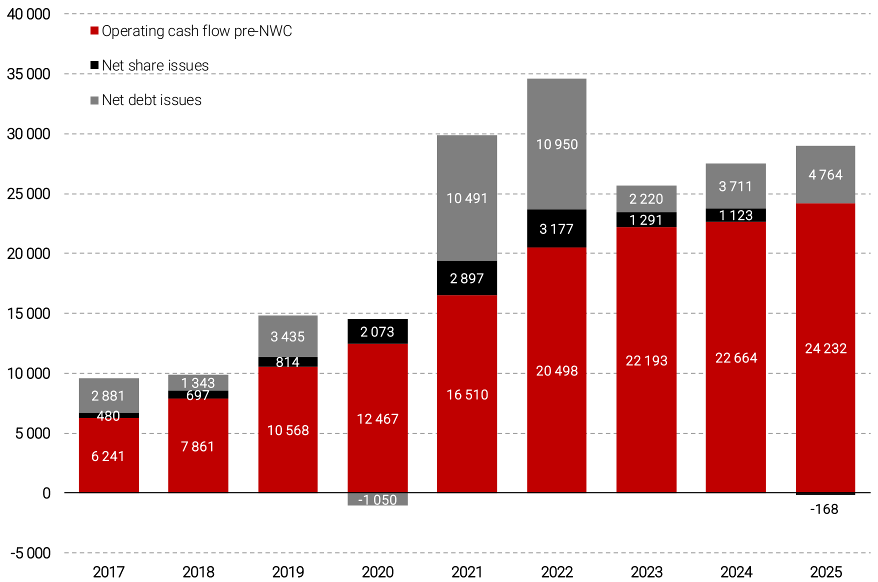
Redeye SA index: Uses of cash 2017-2025 (SEKm)



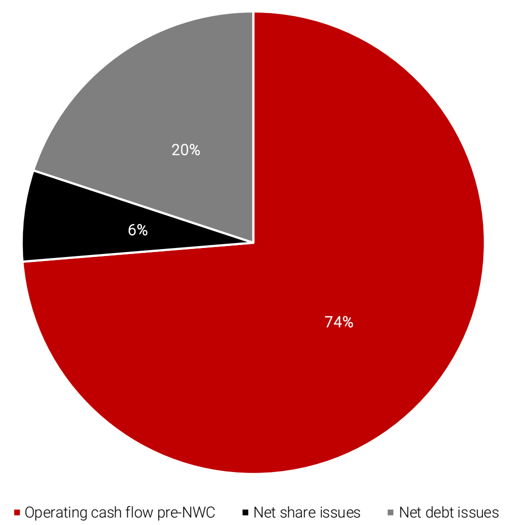
Redeye SA index: Aggregate cash uses 2017-2025 (%)



Redeye SA index: Sources of cash 2017-2025 (SEKm)



Redeye SA index: Aggregate cash sources 2017-2025 (%)



Note: For companies with split fiscal years (Lagercrantz, Addtech, Bergman & Beving), data represent seven fiscal years (2017/2018-2024/2025) and LTM figures, 2025 figures for Idun represent LTM Q3 2025 as the company has not published its year-end report yet

Source: Company filings and FactSet (financial figures), Redeye Research (chart structuring)

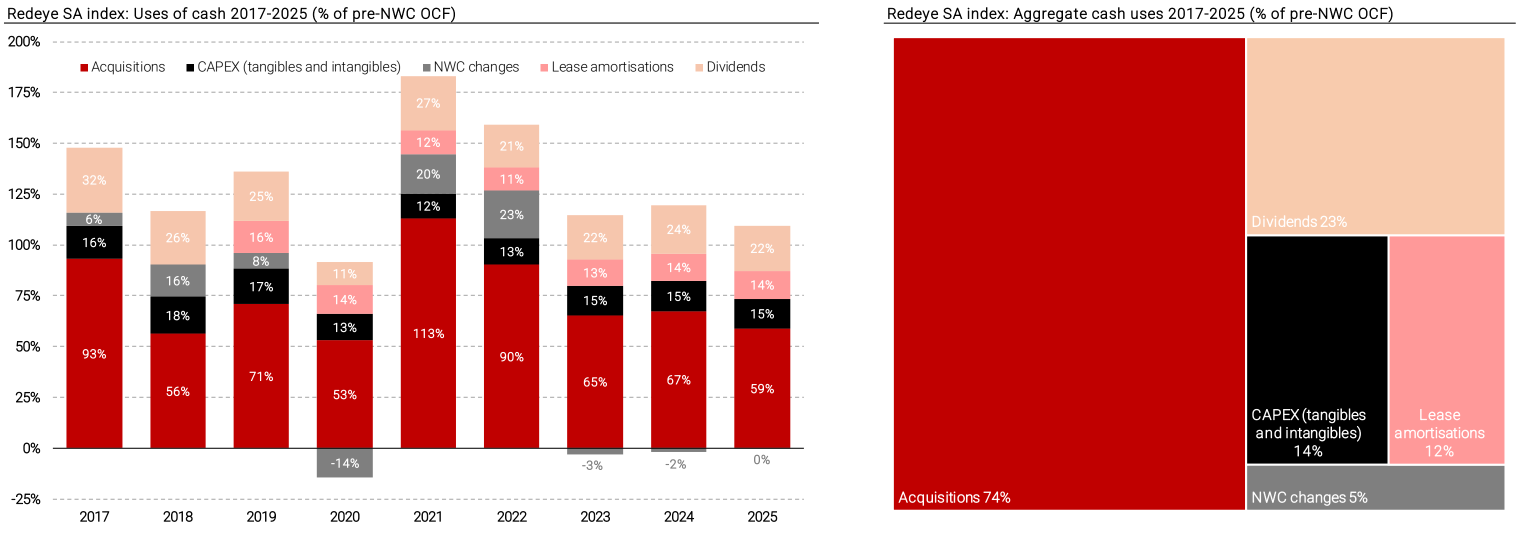
A contributing factor to reduced debt issues for prudent constituents might also be that operating cash flows remained solid, facilitated by decent earnings and reduced working capital builds or even working capital releases. At the same time, M&A markets tend to become slower in economic downturns as sellers become more cautious. Thus, even prudently leveraged acquirers could address their debt issues as internally generated cash flows sufficed to fund their reinvestment opportunities.

Cash uses continued to decline on an absolute level. Specifically, aggregate cash uses for Redeye SA index constituents peaked at cSEK32.7bn in 2022, following a dramatic ramp from cSEK9.2bn-9.3bn in 2017-2018. Cash uses have fallen to cSEK26.7bn in 2024 and cSEK26.5bn in 2025, driven primarily by lower M&A spend and net working capital releases. We judge the decline of M&A spend as a natural result of fewer M&A deals, assuming roughly constant deal size and valuations over time. As economic weakness led to marked declines in organic growth for many Redeye SA index constituents, we are not surprised by working capital releases in 2023-2025. Indeed, while most constituents will draw on cash for working capital builds as they grow over time, releases have been common during periods of sluggish organic growth. Thus, working capital provides a buffer that can offset pressured pre-NWC OCF to a certain extent.

We suspect M&A spend and working capital changes have likely bottomed in 2025, though we do not expect a sudden rebound to former highs. Instead, we expect a gradual ramp of both items as Europe enters an economic recovery in 2026e. As interest rates are markedly higher now than in 2021-2022 and several Redeye SA index components still sport rather stretched net leverage ratios, we expect a more measured ramp-up going forward.

Aggregate cash uses for Redeye SA index constituents have re-approached pre-NWC OCF at c118% in 2024 and c109% in 2025. M&A remained the largest item, accounting for c67% of pre-NWC OCF in 2024 and c59% in 2025. However, it is now notably below its aggregate level of c74% of pre-NWC OCF in 2017-2025.

Redeye SA index: Uses of cash as a percentage of pre-NWC OCF

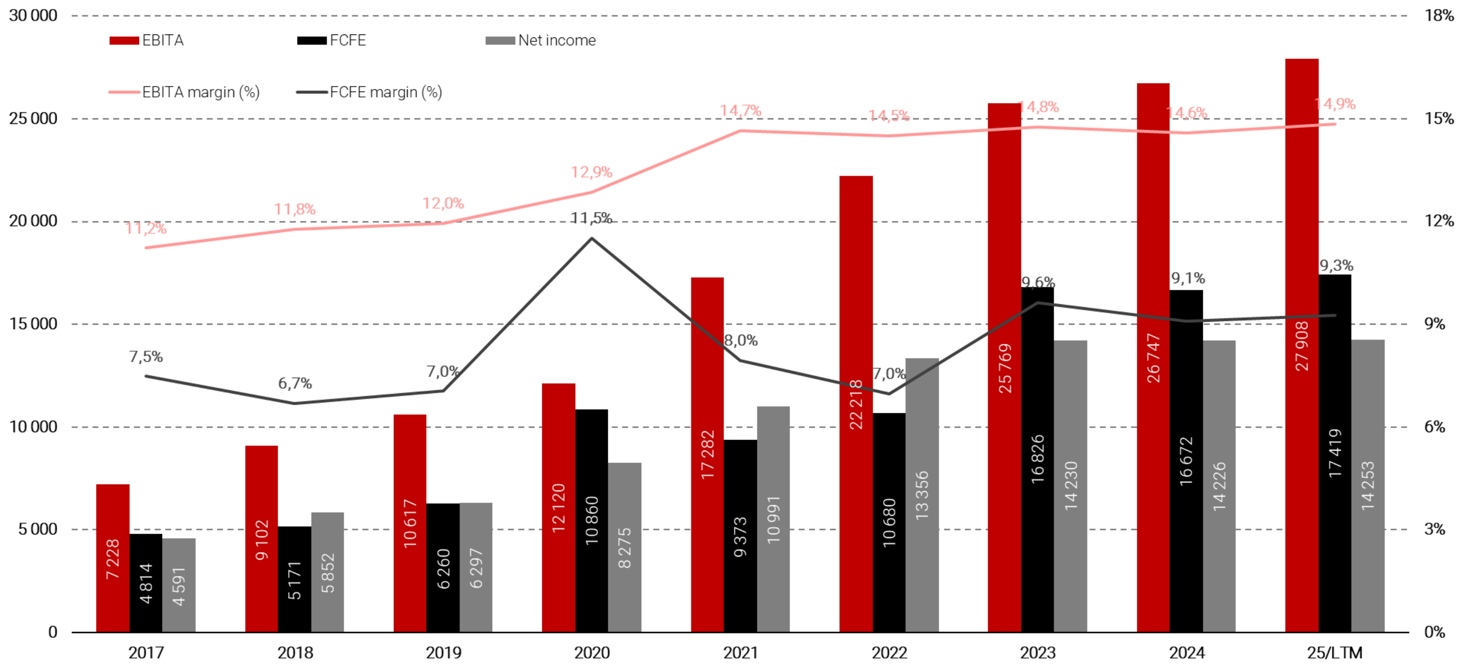


Note: For companies with split fiscal years (Lagercrantz, Addtech, Bergman & Beving), data represent seven fiscal years (2017/2018-2024/2025) and LTM figures, 2025 figures for Idun represent LTM Q3 2025 as the company has not published its year-end report yet

Source: Company filings and FactSet (financial figures), Redeye Research (chart structuring)

Below, we have compiled aggregate reported EBITA, net income, and free cash flow to equity (FCFE) for Redeye SA index constituents. For some constituents, e.g., Sdiptech and MedCap, we used these companies' adjusted EBITA figures. We have used unadjusted EBITA for most, as many constituents' adjusted EBITA figures are always higher than reported EBITA. Redeye SA index constituents, on an aggregate level, have seemingly succeeded in defending the margin expansion they posted in 2017-2021. Specifically, EBITA margin has hovered around the c14-15% level in 2021-2025. Aggregate EBITA was up c4% y/y to cSEK27.9bn in 2025 versus cSEK26.7bn in 2024, following growth at a CAGR of c21% in 2017-2024. We judge that this reflects many constituents' sluggish organic growth despite continued moderate M&A activity. Aggregate figures naturally weight larger companies higher. For example, companies like Indutrade, Lifco, and Addtech have both structurally higher margins than the smaller roll-ups in our index and have been more successful at defending their profitability.

Redeye SA index: Slight profitability improvements y/y, yet to break 15% EBITA margin threshold



Note: For companies with split fiscal years (Lagercrantz, Addtech, Bergman & Beving), data represent seven fiscal years (2017/2018-2024/2025) and LTM figures, 2025 figures for Idun represent LTM Q3 2025 as the company has not published its year-end report yet

Source: Company filings and FactSet (financial figures), Redeye Research (chart structuring)

We define FCFE as operating cash flow less capex and lease amortisations, i.e., before M&A spend. FCFE margin remained solid in 2023-2025 at c9%, boosted by slight working capital releases versus considerable working capital builds in 2021-2022. FCFE was also up c4% y/y to cSEK17.4bn 2025, with slightly higher capex and lease amortisations offsetting an increase in pre-NWC OCF. Note that the lease amortisation figures we use for our 2025 calculation include estimates, as certain Redeye SA index constituents disclose this item separately only in their annual reports. It seems like net income continues to be a decent proxy for normalised FCFE over time.

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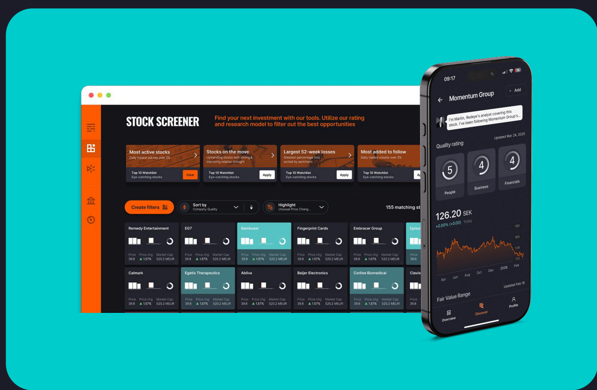


"Redeye are different to other research providers. They are truly long-term focused and think like investors."

Andrew Strasser, Investment Analyst at Constantia Investment Partners, Australia

Redeye SA index: Net income to FCFE conversion

The median Redeye SA index constituent posted an FCFE corresponding to c116% of net income in 2025, in line with 2024. However, both these years featured working capital releases for many constituents. Looking at aggregate FCFE and net income over the last five years, the mean and median for Redeye SA index constituents amounted to c106-107%. There are, however, some outliers, with aggregate FCFE/net income for Redeye SA index constituents ranging from c77% to c229%. However, with a 25th percentile of c95% and a 75th percentile of c112%, we judge the overall variation for most constituents is reasonably close to the average.

Redeye SA index: FCFE/net income in 2017-2025

										Last five years		
FCFE/net income (%)	2017	2018	2019	2020	2021	2022	2023	2024	25/LTM	Sum	Mean	Median
Volati	176%	134%	na	67%	42%	54%	129%	169%	139%	96%	107%	129%
Momentum Group					105%	56%	106%	123%	122%	105%	97%	105%
Lagercrantz	83%	114%	89%	156%	65%	106%	121%	97%	88%	97%	109%	106%
Indutrade	128%	78%	80%	121%	102%	55%	121%	114%	115%	101%	102%	114%
Addlife	138%	102%	163%	148%	105%	101%	170%	249%	170%	143%	154%	148%
Addtech	93%	65%	99%	168%	71%	95%	126%	116%	118%	109%	115%	116%
Lifco	107%	96%	103%	143%	102%	90%	113%	111%	118%	108%	112%	111%
Fasadgruppen		138%	72%	105%	64%	75%	164%	15517%	-188%	177%	3185%	105%
Bergman & Beving	82%	105%	-10%	122%	26%	66%	214%	na	na	229%	107%	94%
NCAB	82%	65%	105%	140%	10%	119%	152%	122%	118%	108%	109%	122%
Green Landscaping	-333%	na	-160%	161%	43%	114%	61%	166%	45%	94%	109%	114%
Instalco	91%	108%	109%	121%	80%	91%	106%	144%	130%	106%	109%	106%
Vitec	93%	56%	87%	138%	104%	94%	81%	115%	133%	108%	107%	104%
Sdiptech	41%	54%	129%	165%	112%	68%	78%	112%	na	134%	107%	112%
Norva24	na	na	17%	59%	79%	105%	144%	134%	120%	123%	104%	105%
Beijer Alma	70%	50%	75%	132%	95%	43%	120%	43%	96%	77%	86%	95%
Idun Industrier	47%	123%	79%	96%	102%	-1%	128%	110%	86%	85%	87%	102%
MedCap	721%	2126%	38%	109%	28%	106%	85%	120%	104%	95%	90%	106%
OEM	72%	74%	62%	134%	51%	36%	115%	102%	110%	85%	87%	102%
Addnode	94%	144%	207%	248%	117%	146%	65%	97%	10%	86%	135%	117%
Mean	**105%**	**214%**	**75%**	**133%**	**75%**	**81%**	**120%**	**935%**	**91%**	**113%**	**261%**	**111%**
Median	**91%**	**102%**	**83%**	**134%**	**80%**	**91%**	**120%**	**116%**	**116%**	**106%**	**107%**	**106%**
25th percentile	72%	65%	64%	115%	49%	56%	101%	111%	90%	95%	101%	105%
75th percentile	107%	123%	104%	152%	103%	105%	133%	139%	122%	112%	110%	115%
Min	-333%	50%	-160%	59%	10%	-1%	61%	43%	-188%	77%	86%	94%
Max	721%	2126%	207%	248%	117%	146%	214%	15517%	170%	229%	3185%	148%
Aggregate	105%	88%	99%	131%	85%	80%	118%	117%	122%	109%	105%	117%

Note: We adjusted Idun Industrier's net income for goodwill amortisations to improve comparability to other constituents; na = we censored years with negative net income; FCFE defined as operating cash flow less capex and lease amortisations; for companies with split fiscal years (Lagercrantz, Addtech, Bergman & Beving), data represent seven fiscal years (2017/2018-2024/2025) and LTM figures, 2025 figures for Idun represent LTM Q3 2025 as the company has not published its year-end report yet

Source: Company filings (financial figures), Redeye Research (table structuring)

Redeye SA index: Median total net debt/EBITDA remained at c2.2x in 2025

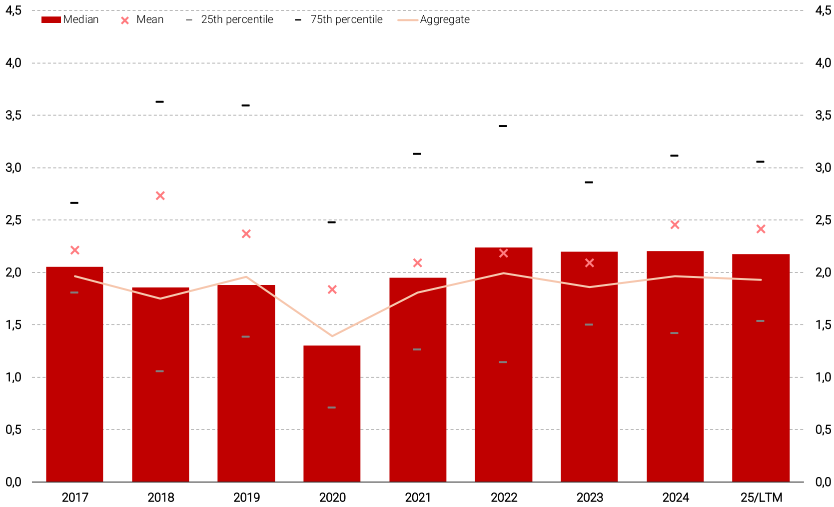
Median total net debt/EBITDA was unchanged at c2.2x in 2025, a level we have seen for the last four years. Still, mean and aggregate total net debt/EBITDA have nudged down from c2.5x and c2.0x in 2024 to c2.4x and c1.9x in 2025. We judge that the main reason for this is that the larger acquirers have been a bit more prudent in their approach to debt than some smaller ones. Note that we define total net debt as the sum of preference shares, interest-bearing liabilities excluding lease liabilities, and contingent considerations & put/call option debt, less cash & cash equivalents.

Redeye SA index: Balance sheets have been stable for the past 4 years

Redeye SA index: Total net debt/EBITDA* for individual constituents in 2017-2025 (x)

Total net debt/EBITDA*	2017	2018	2019	2020	2021	2022	2023	2024	25/LTM
Volati	3,8	3,8	3,0	1,1	3,1	3,5	3,5	4,4	4,0
Momentum Group					-0,2	0,5	1,6	1,2	1,4
Lagercrantz	2,7	2,1	2,1	1,8	2,0	1,8	2,1	2,2	2,4
Indutrade	2,0	1,7	2,0	1,3	1,2	1,6	1,2	1,3	1,2
Addlife	2,3	3,2	1,9	0,5	2,6	3,6	3,4	3,2	2,2
Addtech	1,2	1,2	1,5	1,3	1,3	1,2	1,3	1,3	1,2
Lifco	2,0	1,6	1,8	1,5	1,6	1,5	1,6	1,6	1,6
Fasadgruppen		11,0	4,0	2,5	3,6	3,0	2,9	10,4	7,4
Bergman & Beving	4,1	3,8	6,1	4,6	4,0	3,9	3,8	3,9	4,3
NCAB	1,8	-0,1	0,1	-0,6	1,9	0,8	0,8	1,5	1,8
Green Landscaping	3,3	8,2	6,1	5,5	3,3	3,4	2,8	3,0	4,0
Instalco	2,0	1,7	1,5	1,3	2,3	2,5	2,7	3,1	3,2
Vitec	1,6	1,0	1,6	1,3	1,4	2,0	2,8	2,5	2,5
Sdiptech	2,1	4,1	3,9	3,7	4,7	3,8	3,1	3,3	2,9
Röko				5,9	4,7	4,6	2,4	2,3	2,2
Beijer Alma	0,6	0,6	1,0	0,9	1,8	2,5	2,1	2,2	2,1
Idun Industrier	3,0	2,1	3,8	2,5	2,4	2,4	2,3	1,8	2,0
MedCap	2,2	2,0	1,4	0,1	-0,2	-0,2	-0,1	-0,9	-0,1
OEM	0,5	0,3	0,2	-0,7	-0,2	0,4	-0,1	-0,6	-1,0
Addnode	2,4	0,9	0,6	0,5	0,8	0,9	1,8	1,5	3,0
Mean	**2,2**	**2,7**	**2,4**	**1,8**	**2,1**	**2,2**	**2,1**	**2,5**	**2,4**
Median	**2,1**	**1,9**	**1,9**	**1,3**	**2,0**	**2,2**	**2,2**	**2,2**	**2,2**
25th percentile	1,8	1,1	1,4	0,7	1,3	1,1	1,5	1,4	1,5
75th percentile	2,7	3,6	3,6	2,5	3,1	3,4	2,9	3,1	3,1
Min	0,5	-0,1	0,1	-0,7	-0,2	-0,2	-0,1	-0,9	-1,0
Max	4,1	11,0	6,1	5,9	4,7	4,6	3,8	10,4	7,4
Aggregate	2,0	1,8	2,0	1,4	1,8	2,0	1,9	2,0	1,9

Redeye SA index: Total net debt/EBITDA in 2017-2025 (x)



*Note: *Total net debt defined as the sum of preference shares, interest-bearing debt excluding lease liabilities, and contingent considerations & put/call option debt if disclosed, less cash & cash equivalents; For companies with split fiscal years (Lagercrantz, Addtech, Bergman & Beving), data represent seven fiscal years (2017/2018-2024/2025) and LTM figures; We calculate EBITDA as reported on an LTM basis, i.e., not pro-forma*

Source: Company filings and FactSet (financial figures), Redeye Research (table/chart structuring)

Redeye SA index: Median ROIC of c11% and ROE of c14% in 2025

With another year in the books, we can compare how ROIC and ROE developed in 2025. However, note that 2025 figures include estimates for some companies with limited disclosure in quarterly reports. Median ROIC for Redeye SA index constituents remained roughly flat y/y at c11% in 2025. The sluggish economy continued to provide a headwind for many cyclical constituents, and a potential recovery in H2 2025 remained elusive. Variation in 2025 remained similar to 2024, with the 25th percentile of ROICs at c9% and the 75th percentile at c14%, slightly down from c15% in 2024. We judge a gradual economic recovery in 2026e should support organic operating leverage, likely boosting ROICs towards pre-recession levels. Still, H1 2026e figures might not look overly pretty.

The 'big four' (Lifco, Indutrade, Addtech, Lagercrantz) succeeded in maintaining ROICs close to their five-year medians in 2025, especially Addtech who saw record high ROIC at 19.5%. The other three featured a c1.0-2.3%-point contraction from their 2021-2023 peaks. Several roll-ups with significant cyclicality have experienced margin contraction, as reflected in their ROICs. For example, Fasadgruppen's ROIC has declined from c8-9% in 2021-2022 to c4% in 2025. Similarly, Instalco's ROIC has fallen from c10-11% in 2021-2022 and c13-14% in 2019-2020 to c8% in 2025. Thus, in addition to seemingly lower structural ROICs, these companies feature larger contractions amidst economic turmoil.

Redeye SA index: ROIC in 2013-2025

	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	L5Y	
ROIC (%)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Mean	Median
Lifco	13,3%	12,5%	14,3%	12,5%	13,0%	14,7%	13,1%	14,0%	14,6%	14,8%	15,1%	13,7%	14,1%	**14,5%**	**14,6%**
Addtech	19,1%	18,9%	15,7%	17,6%	16,2%	16,2%	17,3%	13,4%	15,3%	18,0%	17,9%	18,3%	19,5%	**17,8%**	**18,0%**
Vitec	14,4%	12,6%	15,4%	11,9%	13,3%	13,6%	11,7%	14,9%	10,3%	8,5%	9,3%	8,3%	7,9%	**8,9%**	**8,5%**
Indutrade	13,5%	13,4%	14,3%	12,5%	12,2%	14,3%	12,3%	13,5%	14,0%	13,2%	14,8%	13,1%	12,5%	**13,5%**	**13,2%**
Idun Industrier			10,3%	16,1%	9,1%	10,7%	7,3%	11,1%	10,4%	12,3%	12,2%	14,0%	14,2%	**12,6%**	**12,3%**
Bergman & Beving	7,2%	9,5%	10,5%	6,5%	6,1%	6,6%	4,2%	5,5%	6,1%	6,2%	6,8%	7,5%	7,3%	**6,8%**	**6,8%**
Volati	10,1%	11,9%	8,1%	10,4%	8,1%	8,0%	8,6%	9,1%	12,0%	10,6%	10,7%	8,7%	9,7%	**10,3%**	**10,6%**
Instalco			4,6%	11,9%	12,8%	12,8%	13,8%	13,5%	11,1%	10,3%	10,3%	8,6%	7,8%	**9,6%**	**10,3%**
Momentum Group						21,7%	21,6%	26,0%	20,6%	17,9%	13,8%	15,4%	14,0%	**16,3%**	**15,4%**
Sdiptech		9,7%	5,5%	8,2%	7,0%	7,0%	7,8%	8,0%	7,8%	7,1%	8,8%	8,4%	9,3%	**8,3%**	**8,4%**
Addlife	25,9%	21,4%	10,0%	11,8%	11,8%	8,9%	8,7%	20,2%	10,7%	8,3%	7,9%	7,9%	10,4%	**9,0%**	**8,3%**
Beijer Alma	16,3%	16,0%	17,1%	14,9%	15,5%	16,8%	12,7%	12,0%	13,0%	9,8%	10,2%	9,7%	11,1%	**10,8%**	**10,2%**
Röko								5,4%	6,6%	6,7%	8,8%	9,3%	10,0%	**8,3%**	**8,8%**
NCAB			21,3%	28,1%	18,9%	33,3%	29,8%	21,4%	17,7%	25,0%	23,6%	14,4%	12,7%	**18,7%**	**17,7%**
Green Landscaping			-2,3%	5,9%	9,1%	1,6%	4,4%	5,0%	7,7%	8,2%	9,4%	8,5%	6,8%	**8,1%**	**8,2%**
Fasadgruppen						8,6%	13,3%	6,7%	8,9%	8,3%	8,0%	3,0%	4,4%	**6,5%**	**8,0%**
Lagercrantz	13,5%	14,0%	12,9%	13,5%	11,2%	12,7%	12,1%	12,5%	13,5%	14,1%	13,5%	13,4%	13,0%	**13,5%**	**13,5%**
Addnode	8,8%	15,3%	11,3%	10,6%	9,1%	12,4%	12,1%	12,8%	14,4%	17,0%	12,1%	15,5%	11,7%	**14,1%**	**14,4%**
MedCap	6,7%	3,4%	6,1%	1,5%	8,9%	9,3%	12,1%	10,6%	11,7%	13,1%	17,3%	16,1%	15,8%	**14,8%**	**15,8%**
OEM	17,6%	18,3%	21,2%	21,9%	21,5%	22,3%	22,4%	26,4%	31,1%	28,0%	28,9%	27,7%	27,5%	**28,6%**	**28,0%**
Mean	**13,9%**	**13,6%**	**11,6%**	**12,7%**	**12,0%**	**13,2%**	**12,9%**	**13,1%**	**12,9%**	**12,9%**	**13,0%**	**12,1%**	**12,0%**	**12,6%**	**12,5%**
Median	**13,5%**	**13,4%**	**11,3%**	**11,9%**	**11,8%**	**12,7%**	**12,1%**	**12,7%**	**11,9%**	**11,4%**	**11,4%**	**11,4%**	**11,4%**	**11,7%**	**11,4%**
25th percentile	9,8%	11,9%	8,1%	10,4%	9,1%	8,8%	8,7%	8,8%	10,0%	8,3%	9,2%	8,5%	9,0%	8,7%	8,5%
75th percentile	16,6%	16,0%	15,4%	14,9%	13,3%	15,4%	13,5%	14,2%	14,4%	15,3%	14,9%	14,7%	14,1%	14,6%	14,8%
Lowest	6,7%	3,4%	-2,3%	1,5%	6,1%	1,6%	4,2%	5,0%	6,1%	6,2%	6,8%	3,0%	4,4%	6,5%	6,8%
Highest	25,9%	21,4%	21,3%	28,1%	21,5%	33,3%	29,8%	26,4%	31,1%	28,0%	28,9%	27,7%	27,5%	28,6%	28,0%

Note: ROIC = NOPAT divided by invested capital; NOPAT = 25% tax rate applied to EBITA; invested capital = sum of net goodwill, net other intangibles, tangible assets (PP&E and right-of-use assets), and net working capital; 2025/LTM figures include estimates as quarterly reports contain less detailed disclosure than annual reports

Source: Company filings (financial figures), Redeye Research (table structuring)

ROE for most Redeye SA index constituents represents an amplification of ROIC, given that most constituents feature at least some net leverage and have a cost of debt below their ROICs. Median ROE for Redeye SA index constituents amounted to c14% in 2025, representing a c0.5%-point contraction from c14% in 2024. Mean ROE fell from c14% in 2024 to c13% in 2025, reflecting a general ROE deterioration for many constituents. As the median ROE exceeds ROIC, we judge that Redeye SA index constituents use leverage prudently overall. While one might argue that ROE is a conservative measure for serial acquirers given acquisition-related amortisations burdening net income, our research suggests that net profit is a decent proxy for normalised FCFE over time (see page 83). Note that Idun's unadjusted ROE is somewhat misleading, as its use of K3 accounting (instead of IFRS) means goodwill amortisations decrease net profit to a greater extent than shareholders' equity attributable to parent company owners.

Variation in 2025 has generally remained similar to the prior year but mirrors a deterioration. For example, the 25th and 75th percentiles declined from c9% and c18% in 2024 to c9% and c16% in 2025. Some companies that have experienced significant ROIC deterioration in recent years have ended up in a difficult situation: their ROE is lower than their ROIC. We judge that this primarily stems from the cost of debt being close to or exceeding ROIC. For example, Fasadgruppen's ROIC was c4% in 2025, while its ROE was c-6%.

Redeye SA index: ROE in 2013-2025

	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	L5Y	
ROE (%)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Mean	Median
Lifco	16,0%	16,2%	20,6%	19,3%	19,7%	20,8%	19,0%	19,2%	22,5%	21,0%	21,5%	18,1%	18,8%	**20,4%**	**21,0%**
Addtech	27,3%	26,1%	21,2%	25,9%	24,7%	26,7%	28,6%	21,9%	27,3%	28,8%	27,3%	28,5%	29,1%	**28,2%**	**28,5%**
Vitec	17,8%	18,9%	28,8%	20,0%	19,9%	14,5%	13,5%	19,1%	10,4%	7,6%	10,0%	8,4%	9,0%	**9,1%**	**9,0%**
Indutrade	22,4%	22,3%	24,1%	21,3%	20,0%	22,0%	20,7%	19,4%	20,4%	21,0%	19,8%	16,5%	15,0%	**18,5%**	**19,8%**
Idun Industrier			7,7%	6,2%	11,3%	4,8%	-2,2%	1,2%	8,1%	8,5%	6,6%	5,0%	8,0%	**7,3%**	**8,0%**
Bergman & Beving	9,7%	13,2%	14,0%	8,7%	10,1%	10,2%	7,1%	9,6%	10,4%	9,5%	9,1%	-2,8%	-3,8%	**4,5%**	**9,1%**
Volati	32,8%	11,4%	9,6%	8,8%	10,2%	10,6%	10,4%	7,9%	22,2%	19,7%	16,2%	12,4%	14,0%	**16,9%**	**16,2%**
Instalco			12,8%	16,5%	21,6%	23,2%	24,9%	23,3%	22,0%	17,7%	18,7%	10,8%	10,6%	**16,0%**	**17,7%**
Momentum Group						58,7%	37,8%	29,1%	25,3%	27,5%	27,6%	24,5%	23,1%	**25,6%**	**25,3%**
Sdiptech		7,9%	2,0%	17,3%	8,9%	11,5%	13,2%	12,5%	9,7%	12,1%	11,2%	9,7%	-0,8%	**8,4%**	**9,7%**
Addlife	28,8%	30,6%	22,4%	15,6%	16,0%	13,9%	9,6%	27,5%	16,8%	9,7%	3,8%	4,7%	10,3%	**9,1%**	**9,7%**
Beijer Alma	17,9%	18,3%	19,3%	17,2%	19,5%	21,0%	17,9%	15,8%	19,9%	14,6%	13,6%	15,8%	13,0%	**15,4%**	**14,6%**
Röko								7,8%	10,9%	10,6%	10,9%	12,8%	13,7%	**11,8%**	**10,9%**
NCAB			67,5%	40,7%	37,9%	35,2%	36,9%	18,2%	36,8%	34,9%	30,2%	17,6%	14,3%	**26,8%**	**30,2%**
Green Landscaping			-675,6%	-642,9%	12,2%	-2,8%	3,3%	8,0%	10,2%	14,1%	14,6%	11,8%	7,6%	**11,7%**	**11,8%**
Fasadgruppen						144,3%	57,0%	8,6%	14,6%	13,0%	10,0%	0,1%	-5,7%	**6,4%**	**10,0%**
Lagercrantz	22,0%	22,1%	23,4%	22,9%	21,9%	22,7%	21,7%	20,9%	25,7%	25,2%	25,3%	26,6%	27,9%	**26,1%**	**25,7%**
Addnode	6,7%	11,5%	10,4%	8,5%	9,1%	11,4%	9,1%	10,8%	13,2%	19,1%	13,2%	16,4%	14,1%	**15,2%**	**14,1%**
MedCap	10,8%	3,2%	6,9%	0,0%	2,2%	0,2%	16,4%	10,2%	13,9%	13,7%	16,8%	16,2%	15,2%	**15,2%**	**15,2%**
OEM	16,7%	24,8%	27,8%	28,3%	26,6%	26,8%	27,1%	23,2%	33,3%	36,2%	30,5%	25,4%	22,1%	**29,5%**	**30,5%**
Mean	**19,1%**	**17,4%**	**-21,0%**	**-21,5%**	**17,2%**	**25,0%**	**19,6%**	**15,7%**	**18,7%**	**18,2%**	**16,9%**	**13,9%**	**12,8%**	**16,1%**	**16,9%**
Median	**17,9%**	**18,3%**	**19,3%**	**17,2%**	**19,5%**	**20,8%**	**17,9%**	**17,0%**	**18,3%**	**16,1%**	**15,4%**	**14,3%**	**13,8%**	**15,3%**	**14,9%**
25th percentile	14,7%	11,5%	9,6%	8,7%	10,2%	11,0%	10,0%	9,4%	10,8%	11,7%	10,7%	9,4%	8,7%	9,1%	10,0%
75th percentile	23,6%	22,3%	23,4%	21,3%	21,6%	25,0%	26,0%	21,2%	23,2%	22,1%	22,5%	17,7%	16,1%	21,7%	22,1%
Lowest	6,7%	3,2%	-675,6%	-642,9%	2,2%	-2,8%	-2,2%	1,2%	8,1%	7,6%	3,8%	-2,8%	-5,7%	4,5%	8,0%
Highest	32,8%	30,6%	67,5%	40,7%	37,9%	144,3%	57,0%	29,1%	36,8%	36,2%	30,5%	28,5%	29,1%	29,5%	30,5%

Note: ROE = net profit attributable to parent company shareholders divided by shareholders' equity attributable to parent company shareholders

Source: Company filings (financial figures), Redeye Research (table structuring)

Redeye SA index: Median CEO shareholding of c7x base salary

We prefer CEOs to have skin in the game, defined as share ownership corresponding to five annual base salaries or more. The median CEO at Redeye SA index constituents owns c7x his annual base salary in shares. Ownership varies widely, however, ranging from c1x base salary to c452x. The 25th percentile clocks in at c2x base salary, whereas the 75th percentile amounts to c20x. Instalco's CEO, Per Sjöstrand, and Röko's CEO, Fredrik Karlsson, sport the most skin in the game at c169x and c452x base salary, respectively.

Redeye SA index: We consider skin in the game essential

Company	CEO	Base salary (SEKm, 2024)	Shares owned	Value (SEKm)	Value/base salary (x)	Annual TSR during tenure (%)	Aggregate TSR during tenure (%)	Length of CEO tenure (years)***	Central costs/ EBITA (%, 2024)
Volati	Andreas Stenbäck	4,2	716 433	59,9	14,3	-3,2%	-14,4%	4,8	-7,4%
Momentum Group	Ulf Lilius	5,5	671 548	85,6	15,5	13,2%	62,4%	3,9	-16,8%
Lagercrantz	Jörgen Wigh	8,0	2 459 348	529,3	66,4	26,6%	11346,8%	20,1	-6,9%
Indutrade	Bo Annvik	12,7	83 138	19,0	1,5	15,6%	261,4%	8,8	-3,6%
Addlife	Fredrik Dalborg	5,5	50 155	7,5	1,4	4,4%	16,2%	3,5	-8,5%
Addtech	Niklas Stenberg	9,5	229 076	75,0	7,9	29,6%	600,5%	7,5	-4,3%
Lifco	Per Waldemarson	31,6	928 500	291,0	9,2	23,5%	343,0%	7,1	-2,5%
Fasadgruppen	Martin Jacobsson	3,1	509 875	11,5	3,7	-38,8%	-74,8%	2,8	-6,5%
Bergman & Beving	Magnus Söderlind	5,4	333 793	93,3	17,2	19,5%	136,3%	4,8	-12,0%
NCAB	Peter Kruk	4,0	110 770	6,0	1,5	17,2%	136,2%	5,4	-51,4%
Green Landscaping	Johan Nordström	4,1	3 551 536	151,1	36,9	10,2%	115,8%	7,9	-15,2%
Instalco*	Per Sjöstrand	4,6	22 999 835	783,4	169,2	49,8%	34,2%	0,7	-3,0%
Vitec	Olle Backman	5,1	44 157	10,1	2,0	-10,7%	-42,3%	4,8	-15,4%
Sdiptech**	Anders Mattson	4,1	23 003	4,4	1,1	-16,8%	-12,9%	0,8	-8,8%
Röko	Fredrik Karlsson	4,5	1 393 082	2052,8	451,6	-28,7%	-28,0%	1,0	-5,2%
Beijer Alma	Johnny Alvarsson	5,0	13 200	3,2	0,6	-73,1%	-11,8%	0,1	-5,5%
Idun Industrier	Henrik Mella	1,5	138 630	42,6	28,9	10,3%	15,8%	1,5	-8,8%
MedCap	Anders Dahlberg	3,0	41 000	19,8	6,5	15,4%	114,2%	5,3	-8,0%
OEM	Jörgen Zahlin	6,7	183 645	23,8	3,6	15,7%	4315,0%	26,0	-10,9%
Addnode	Johan Andersson	4,5	409 233	27,6	6,1	16,6%	287,7%	8,8	-13,0%
Mean		**6,6**		**214,8**	**42,2**	**4,8%**	**880,1%**	**6,3**	**-10,7%**
Median		**4,8**		**35,1**	**7,2**	**14,3%**	**88,3%**	**4,8**	**-8,2%**
25th percentile		4,1		11,1	1,9	-5,1%	-12,1%	2,5	-12,2%
75th percentile		5,8		107,8	20,1	17,8%	267,9%	7,6	-5,4%
Min		1,5		3,2	0,6	-73,1%	-74,8%	0,1	-51,4%
Max		31,6		2052,8	451,6	49,8%	11346,8%	26,0	-2,5%
Aggregate		132,6		4296,8	32,4	NA	NA	125,8	-6,9%

*Note: *Instalco: shareholding for current CEO, 2024 salary for former CEO Robin Boheman **Sdiptech: shareholding for current CEO, 2024 salary for former CEO Bengt Lejdström ***Beijer Alma: shareholding for current CEO, 2024 salary for former CEO Henrik Perbeck ****Tenure since IPO for Momentum Group, Green Landscaping, and Röko*

Source: Holdings (stock ownership), Redeye Research (table structuring)

Looking at TSR over a CEO's tenure, we judge Lagercrantz's Jörgen Wigh maintains the most impressive track record. Specifically, Lagercrantz has sported an annual TSR of c27% over Mr Wigh's c20-year tenure, culminating in a total TSR of over 11,000% over that period. OEM International, also sports a long-lived CEO with Jörgen Zahlin, who has served for c26 years. OEM's B share has delivered a TSR exceeding c4,300% over that period, corresponding to c16% annually. While Messrs Wigh and Zahlin do not sport the highest annual TSRs in our comparison, they have racked up above-market returns over long periods.

Several constituents have undergone generational CEO shifts in the last five to 10 years, e.g., Lifco, Addtech, and Indutrade. Thus far, results look promising, with annual TSRs of c16-30%. We should note that a broader multiple expansion for high-quality serial acquirers probably facilitated their solid TSRs over the last decade. Some constituents have recently undergone CEO transitions, e.g., within the past year or within the past couple of years. In such cases, we judge TSR to be less indicative of value creation, as prior CEOs' actions and external factors can considerably affect short-term share price development.

Redeye SA index: Reinvestment rate versus ROIC and three-year ROIIC

This year's edition of fun with numbers features a thought experiment based on the percentage of FCFE each Redeye SA index constituent reinvests in M&A and their median ROIC and three-year ROIIC in the last five years. Multiplying the share of FCFE that a company reinvests in M&A by ROIC or ROIIC might indicate the rate at which a company can grow its FCFE through acquisitions over time.

Simplifications implicit to this calculation are that ROIC and ROIIC are calculated using NOPAT, which does not perfectly approximate cash returns on investments. Further, some Redeye SA index constituents have invested over 200% of their aggregate FCFE over the last five years in M&A. This high reinvestment rate, partly derived from our calculated measure of share issues, i.e., our measure, overestimates how much such a serial acquirer could compound FCFE through internal M&A. Lastly, ROIC and ROIIC derive from both organic investments and M&A, i.e., returns on M&A might not be the same as these 'blended' returns.

For companies that do not use share issues to fuel acquired growth, our calculation should deliver a rough proxy for how these serial acquirers could compound their FCFE via acquisitions if M&A spend/FCFE and ROIC/three-year ROIIC remain roughly constant in the future.

Redeye SA index: Reinvestment rate versus ROIC and three-year ROIIC

	L5Y aggregate	Median L5Y		Theoretical M&A compounding rate		L5Y aggregate	
Company	M&A/FCFE	ROIC	3-year ROIIC	ROIC	3-year ROIIC	Dividends/FCFE	M&A + Div/FCFE
Volati	132%	11%	32%	14%	42%	101%	233%
Momentum Group	118%	15%	23%	18%	27%	20%	138%
Lagercrantz	125%	13%	21%	17%	27%	43%	168%
Indutrade	75%	13%	18%	10%	13%	35%	110%
Addlife	128%	8%	7%	11%	9%	24%	152%
Addtech	72%	18%	22%	13%	16%	35%	107%
Lifco	91%	15%	20%	13%	18%	30%	121%
Fasadgruppen	244%	8%	3%	20%	6%	26%	270%
Bergman & Beving	123%	7%	10%	8%	12%	42%	166%
NCAB	102%	18%	23%	18%	24%	48%	149%
Green Landscaping	267%	8%	11%	22%	30%	1%	268%
Instalco	150%	10%	9%	15%	13%	32%	182%
Vitec	340%	9%	11%	29%	38%	25%	365%
Sdiptech	224%	8%	9%	19%	21%	4%	228%
Röko	195%	9%	8%	17%	16%	20%	215%
Beijer Alma	143%	10%	9%	15%	14%	49%	192%
Idun Industrier	165%	12%	16%	20%	26%	33%	198%
MedCap	82%	16%	27%	13%	22%	0%	82%
OEM	15%	28%	39%	4%	6%	65%	81%
Addnode	202%	14%	18%	29%	36%	42%	245%
Mean	**150%**	**13%**	**17%**	**16%**	**21%**	**34%**	**184%**
Median	**130%**	**11%**	**17%**	**16%**	**20%**	**32%**	**175%**
25th percentile	99%	8%	9%	13%	13%	23%	134%
75th percentile	197%	15%	22%	19%	27%	43%	230%
Min	15%	7%	3%	4%	6%	0%	81%
Max	340%	28%	39%	29%	42%	101%	365%

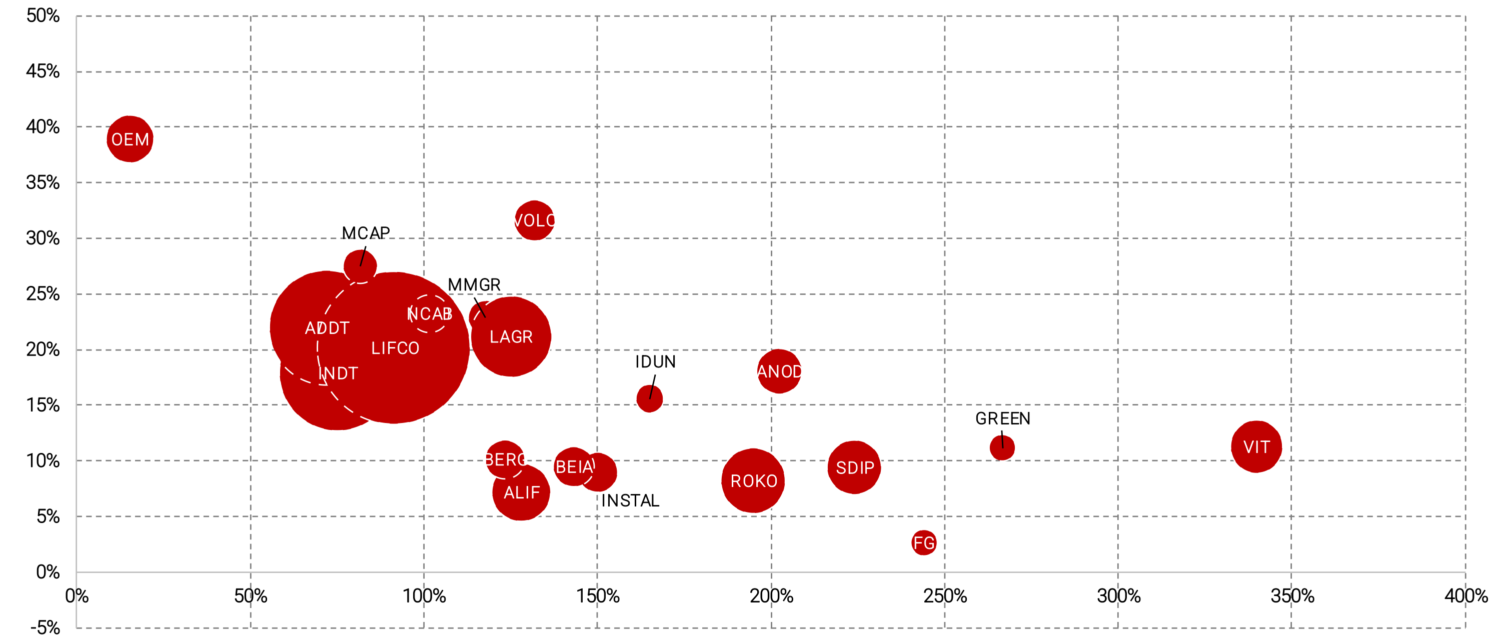
Note: Bubble size represents current enterprise value

Source: Company filings (underlying financial figures), Redeye Research (table structuring, calculation of metrics)

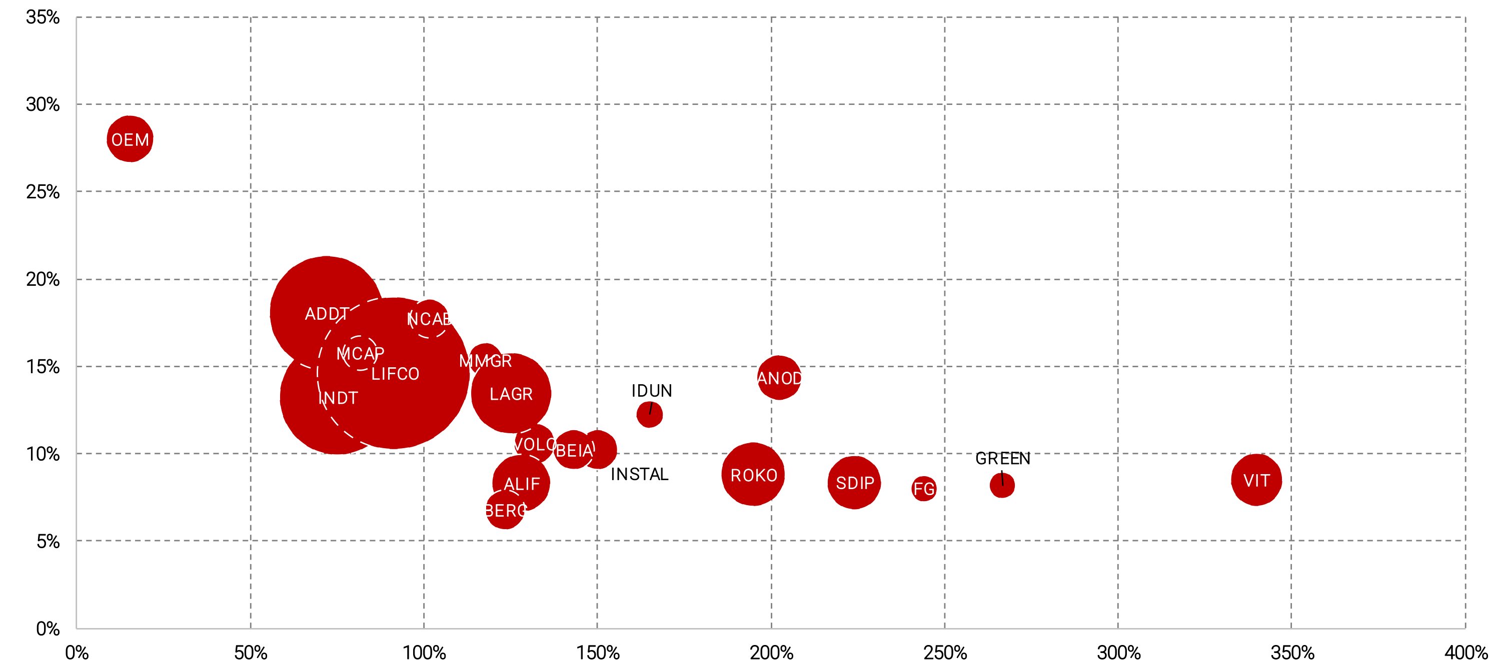
Comparing M&A/FCFE to ROIC or three-year ROIIC quantitatively proves an intuitive point for many investors: Most high-quality serial acquirers spend c100% of FCFE on M&A. We believe that working with internally generated cash flows offers several benefits. First, it enforces capital discipline on a serial acquirer, forcing it to select the highest return opportunities. Second, not using share issues keeps a serial acquirer focused on compounding existing shareholders' capital rather than building an empire. Third, aiming to deploy c100% of FCFE on M&A seems to provide a solid trade-off between selecting high-return investments and maximising reinvestment rate. Sometimes, investing significantly more than FCFE in M&A can be reasonable. For example, Momentum Group started the five years we examine here with minimal leverage. It increased leverage to reasonable levels, boosting M&A capacity above what FCFE suggested. As we judge the company has reached a more appropriate net leverage level, we expect M&A spend to come closer to c100% of FCFE in the coming years.

Redeye SA index: Reinvestment rate into M&A versus ROIC or incremental ROIC

Redeye SA index: Aggregate M&A spend as percentage of FCFE (x-axis) versus median three-year ROIIC (y-axis) in 2021-2025



Redeye SA index: Aggregate M&A spend as percentage of FCFE (x-axis) versus median ROIC (y-axis) in 2021-2025



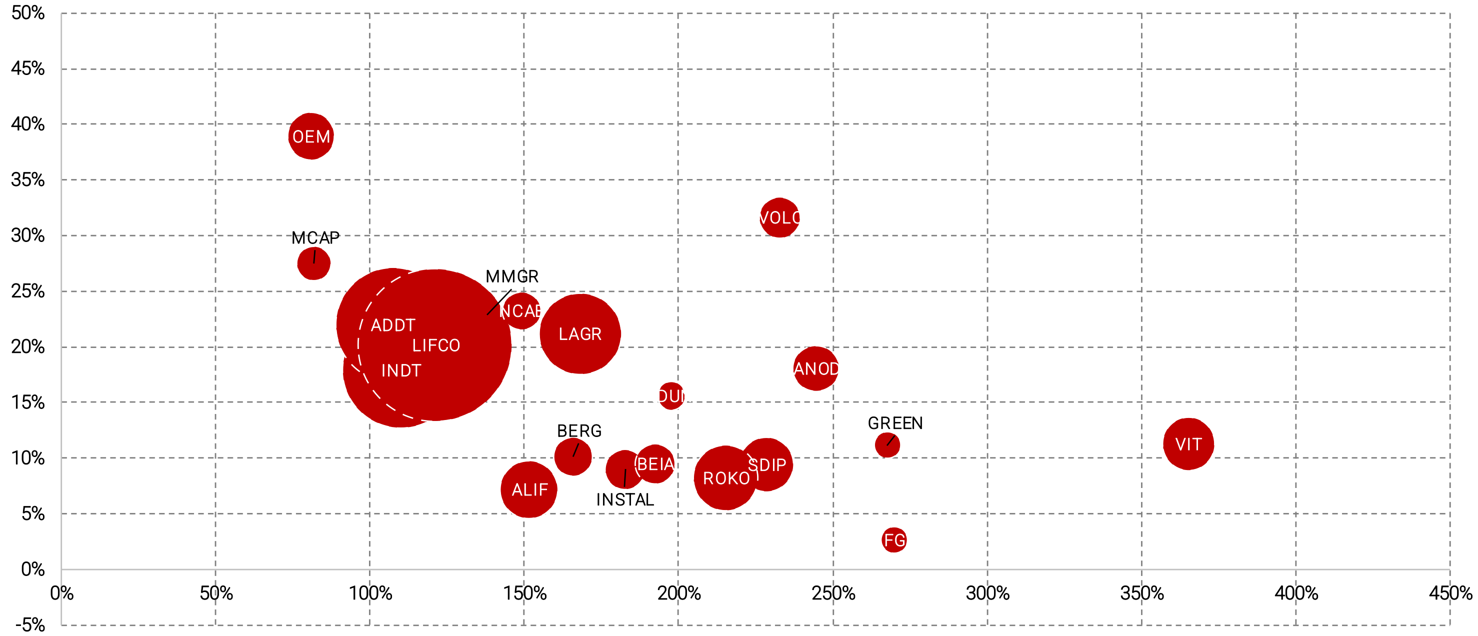
Note: Bubble size represents current year-end 2025e enterprise value

Source: Company filings (underlying financial figures), Redeye Research (chart structuring, calculation of metrics)

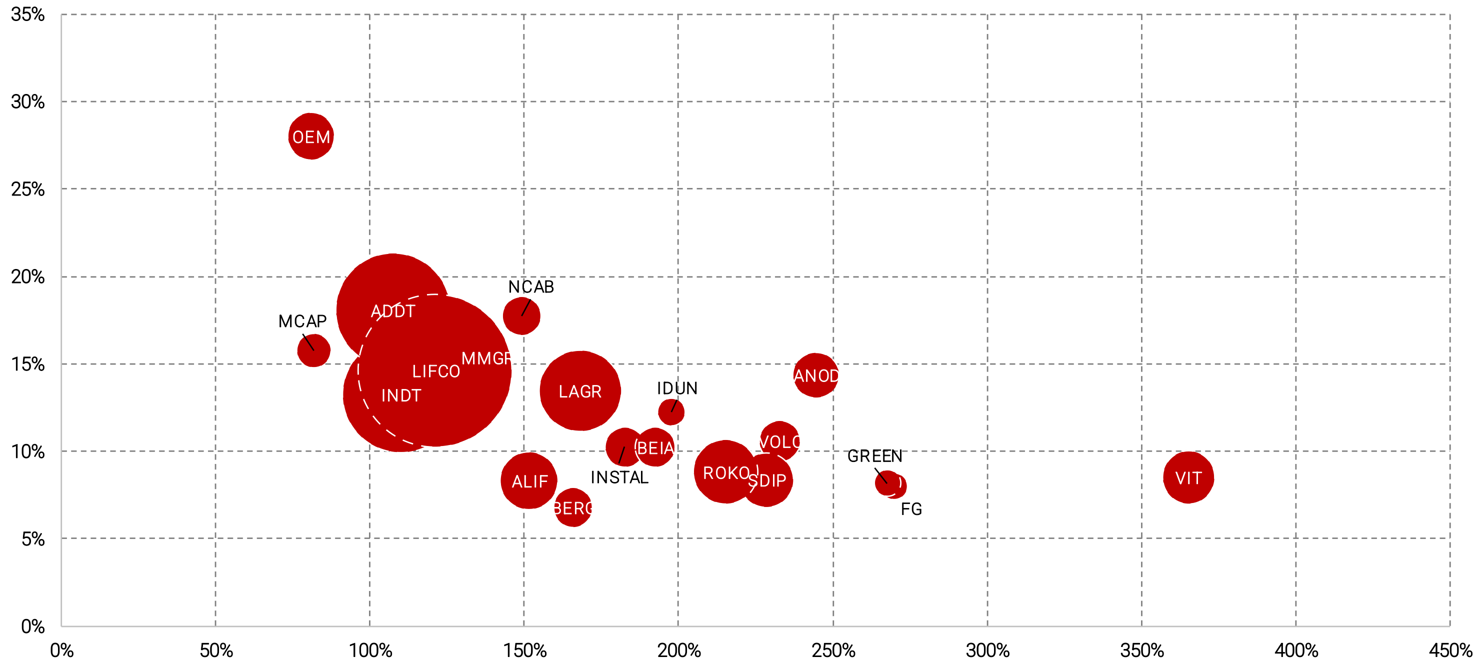
If you wonder why many serial acquirers' M&A spend is just below 100% even though they use moderate leverage, the answer is dividends (and/or organisational M&A capacity). Buybacks would be another option, though Redeye SA index constituents either are net share issuers or only buy back shares to cover share-based payments in acquisitions and/or employee incentive programmes. Looking at the sum of M&A spend and dividends as a percentage of FCFE, most Redeye SA index constituents clock in a bit above 100%, i.e., they reinvest FCFE while maintaining reasonable leverage (with net debt growing in absolute terms).

Redeye SA index: Reinvestment rate into M&A and shareholder returns versus ROIC or incremental ROIC

Redeye SA index: Aggregate M&A spend plus dividends as percentage of FCFE (x-axis) versus median three-year ROIIC (y-axis) in 2021-2025



Redeye SA index: Aggregate M&A spend plus dividends as percentage of FCFE (x-axis) versus median ROIC (y-axis) in 2021-2025



Note: Bubble size represents current enterprise value

Source: Company filings (underlying financial figures), Redeye Research (chart structuring, calculation of metrics)

A last caveat with comparing M&A spend and returns this way is that it might simply show that most serial acquirers realise higher returns on organic growth than on M&A. Specifically, the asset-light firms most serial acquirers buy often require relatively small investments to grow organically (though their opportunities for organic growth are often rather limited). In theory, buying a company for c6x EBITA should yield an initial ROIC of c12.5% (ROCE of c16.7% and standardised tax rate of c25%). Thus, investing larger sums in M&A relative to invested capital will draw ROIC and especially ROIIC closer to the initial return on M&A.

Conclusion

Like 2023 and 2024, 2025 was a slower year. Still, many serial acquirers in our index continued their M&A agendas unperturbed. We judge there are decent prospects that 2026e will feature an upswing in M&A volume, and the start of the year has been promising, while recent macroeconomic developments in the Middle East cast further doubt on a broader recovery. An economic recovery should provide a tailwind for ROIC/ROE and M&A volume. On a more positive note, organic weakness boosted cash flows for many Redeye SA index constituents in 2023-2025. Net leverage for many constituents decreased accordingly, providing financial readiness to invest once the cycle turns. Further, we judge that operational efficiency measures implemented during the recent dry period will facilitate operating leverage once a rebound occurs.

Lastly, we judge our study of reinvestment rates and ROIC/ROIIC confirms what we have been talking about for a long time: there is no magic bullet to succeeding as a serial acquirer. Instead, prudent capital allocation over an extended period (years and decades) will yield solid results. Raising money to acquire as much as possible in the short term rarely proves successful in the long term, both from an operational and a stock market perspective. At the very least, a rapid pace of M&A usually takes a couple of years to show whether the acquired firms are of high quality and yield attractive returns. Thus, investing in serial acquirers with very high acquired growth requires a greater leap of faith from investors. In contrast, many moderate serial acquirers can show the attractive returns they realise using their trailing numbers.

Redeye M&A classification framework

Redeye M&A classification framework

We have sought to develop our own classification system of M&A-driven business types to improve the understanding among investors, companies, and other stakeholders, such as the financial media. We associate several crucial aspects with serial acquirers, differentiating them from other M&A-driven businesses. We judge that all serial acquirers:

- Have an infinite investment horizon
- Feature primarily internal deal sourcing and due diligence
- Have a decentralised organisational structure with limited or no integration of subsidiaries
- Allocate the majority of free cash flow (FCF) to additional acquisitions and internal reinvestment that pass the serial acquirer's hurdle rate/investment criteria

We identify three subcategories of serial acquirers: holding companies, niche acquirers, and roll-ups. Further, we judge that other common M&A-driven business types that investors frequently mistake for serial acquirers include private equity and strategic acquirers. Admittedly, the exact borders between categories are somewhat arbitrary. However, we aim to establish a more explicit classification to avoid confusion among investors when discussing different kinds of M&A-driven business models.

Redeye M&A classification framework: Different strokes for different folks

	Serial acquirers			Other M&A-driven firms	
Features	Holding companies	Niche acquirers	Roll-ups	Private equity	Strategic acquirers
Investment horizon	Forever	Forever	Forever	Short- to mid-term	Mid- to long-term
Continuity of culture	No change	No change or limited integration	Moderate integration	Often a secondary issue, change if necessary	Limited to extensive changes upon integration
Due diligence	Internal	Internal due diligence, sometimes through brokers	Internal due diligence or brokers	Long process, often involving brokers	Long process, often involving brokers
Search process	Internal/relationships	Internal/relationships or through brokers	Internal or through brokers	Internal or through brokers	Internal
Governance	Decentralised	Decentralised	Usually decentralised	Centralised	Centralised
Post transaction	Autonomous operations, reporting to HQ	Limited integration, reporting to HQ, shared operational excellence	Moderate integration, reporting to HQ, scale-driven synergies	Operational/organisational change to realise value and prepare exit	Integration into acquirers' organisation
Financing	FCF and low leverage	FCF and low/medium leverage	FCF and medium/high leverage	Primarily debt, high leverage	Variable, often mix of FCF, equity, and low/moderate leverage
Deal structure	Cash and majority/minority interest	Cash and majority interest, sometimes earn-outs	Cash and sometimes equity/earn-outs	Variable	Cash and/or equity
Capital allocation	FCF back to headquarters or internal reinvestment	FCF back to headquarters or internal reinvestment	FCF back to headquarters	FCF back to headquarters	Internal (re-)investment
Product differentiation	Variable differentiation, portfolio of unrelated businesses	Differentiated products, clustering of subsidiaries	Commodity-like products	Variable differentiation, portfolio of unrelated businesses	Differentiated products or assets of acquiree strengthen acquirer
TAM constraint	Very low or non-existent	Medium	High	Low to medium	Medium to high
Resource and process constraint	High	Medium	Low	Medium to high	Low to medium
TAM Definition	Variable size and number of industries, often multinational	Multiple industries of larger size, often multinational	Often a single, large industry and/or single country	Often single or few industries, possibly multinational	Acquiree's TAM matches or complements acquirer's TAM
Opportunities	Can easily expand TAM, buy where valuations are lowest	Compromise between TAM expansion and scaling deal volume	Scaling deal volume quickly to consolidate niche	Flip acquiree for higher price after operational improvement	Operational synergies or diversification
Risks	Harder to scale deal volume, larger deals at higher multiples over time	Overpaying, not delegating bolt-on M&A leads to larger deals and higher valuations	Overpaying when running into TAM constraints, (geographic) di-worsification	High leverage, operational risk may not work out, short-term window dressing	Strategic rationale for M&A does not work out as planned
Monitor	Scaling M&A resources and processes	Market share, opportunistic TAM expansion, small M&A delegation	Market share, track record and feasibility of international expansion	Progress of operational changes, access to financing, exit opportunity	Realisation of synergies or beneficial effects of diversification
Examples	Berkshire Hathaway, Investor AB, Bolloré, Exor, Latour	Constellation Software, Vitec, Judges Scientific, Addtech, Lifco, Lagercrantz, Sdiptech, Röko, B&B	Instalco, NCAB, Fasadgruppen, Green Landscaping, Norva24	KKR, EQT, Carlyle Group, Blackstone, Thoma Bravo	Embracer, Hexatronic, Surgical Science, Fortnox, Carasent, Mentice

Source: Redeye Research, with inspiration from REQ capital, Exploring Content Substack, and Scott Management LP

What makes serial acquirers unique?

We judge that serial acquirers have two key advantages that differentiate them from other M&A-driven business models:

1. They are perpetual owners, not trying to flip acquirees relatively quickly. This long-term orientation provides a key advantage over private equity, we judge. Indeed, private equity firms are often willing to pay higher valuations for businesses than serial acquirers. Nevertheless, owners frequently choose to sell to serial acquirers because they are concerned about their company, employees, and legacy.

2. Serial acquirers tend to have a hands-off approach. Thus, operators continue to run the company even after acquisitions, providing high autonomy while enabling them to monetise (part of) their equity. Heavy interference from private equity buyers or strategic acquirers may estrange previous employees, who often constitute an essential part of a company's competitive advantage. Key employees leaving shortly after an acquisition can be detrimental, even when the acquisition is at a low valuation.

Many serial acquirers have experienced considerable multiple expansion over the last ten years. Notably, serial acquirers can usually buy companies at a substantially lower valuation than their own shares trade at. This difference offers an opportunity for multiple arbitrage when paying with own shares as a currency. Even without using equity in an M&A deal, earnings from new acquirees rerate from the acquisition multiple to the serial acquirer's trading multiple.

Buying a company for 5 times earnings is great if your shares keep trading at a substantially higher valuation. However, we believe investors are generally too focused on the multiples and the arbitrage. For example, buying a company at 5x earnings yields a 20% return on the investment. The ability to consistently buy high-quality companies at low prices and achieve high returns on capital is, in our view, the fundamental financial reason for the success of many serial acquirers.

Especially if payment is not made in equity, serial acquirers' high multiples are not a reason for their success but rather a result. Specifically, the market rewards their long reinvestment runways at high returns with high multiples.

Market commentary and valuations

This year has been rather interesting from a valuation standpoint, as the Redeye SA index is down 15% LTM, while the OMXSPI is up 8%. While the markets continue to assign rich valuations to higher-quality names, the case can be made that this is an attractive entry point for long-term-oriented investors. Our index's median LTM EV/EBITDA and P/E multiples are c15-16% below their five-year medians and are considerably below peak levels from 2021. We believe higher-quality names' valuations reflect a somewhat optimistic outlook, driven by a cyclical recovery in the short term and superior capital allocation in the long term. Investors have punished lower-quality underperformers, contrasting with the golden days of the COVID-19 bull market, when all M&A-driven growth propelled share prices skyward.

Valuations

The Redeye SA index has declined by c7% in the last three months and by c15% LTM. Both figures underperform OMXSPI's last three months and LTM changes of c9% and c8%, respectively. While many constituents' share prices reacted positively to Q4 figures, most have moderated after an initial sugar high. The market remains optimistic about higher-quality names like Lifco, Addtech, and Lagercrantz. In contrast, lower-quality names continue to sport markedly lower (normalised) multiples and worse share-price performance. Investors' dilemma remains: Should one pay lofty multiples for quality or try to catch falling knives? We believe higher-quality names should provide greater peace of mind, though the risk of multiple contractions could offset earnings growth. Conservatively valued lower-quality names might offer better short-term returns in a cyclical turn. However, they are unlikely to allocate capital as effectively as their higher-quality peers in the long term. Individual names in our Redeye SA index naturally feature idiosyncratic risk/rewards, though we have a hard time spotting any egregious mispricing, at least directionally.

The Redeye SA index's median LTM EV/EBITDA has declined from c16x in early March 2024 to c14x currently, below its five-year median (c16x). Its median LTM P/E decreased from c40-42x to c32-33x over that period (five-year median c38x). We expect an economic recovery in 2026e to juice earnings growth, and with current market valuations, it should support share prices. We view earnings growth as the primary driver of share price appreciation for highly valued names, though this may be offset by some multiple contraction. Generally, we believe long-term-oriented investors' best opportunities arise in periods of general pessimism, when higher-quality names trade at reasonable valuations. For example, Lifco traded down to LTM P/E multiples of c25-30x in late 2022 and 2023, almost half its current c39x P/E.

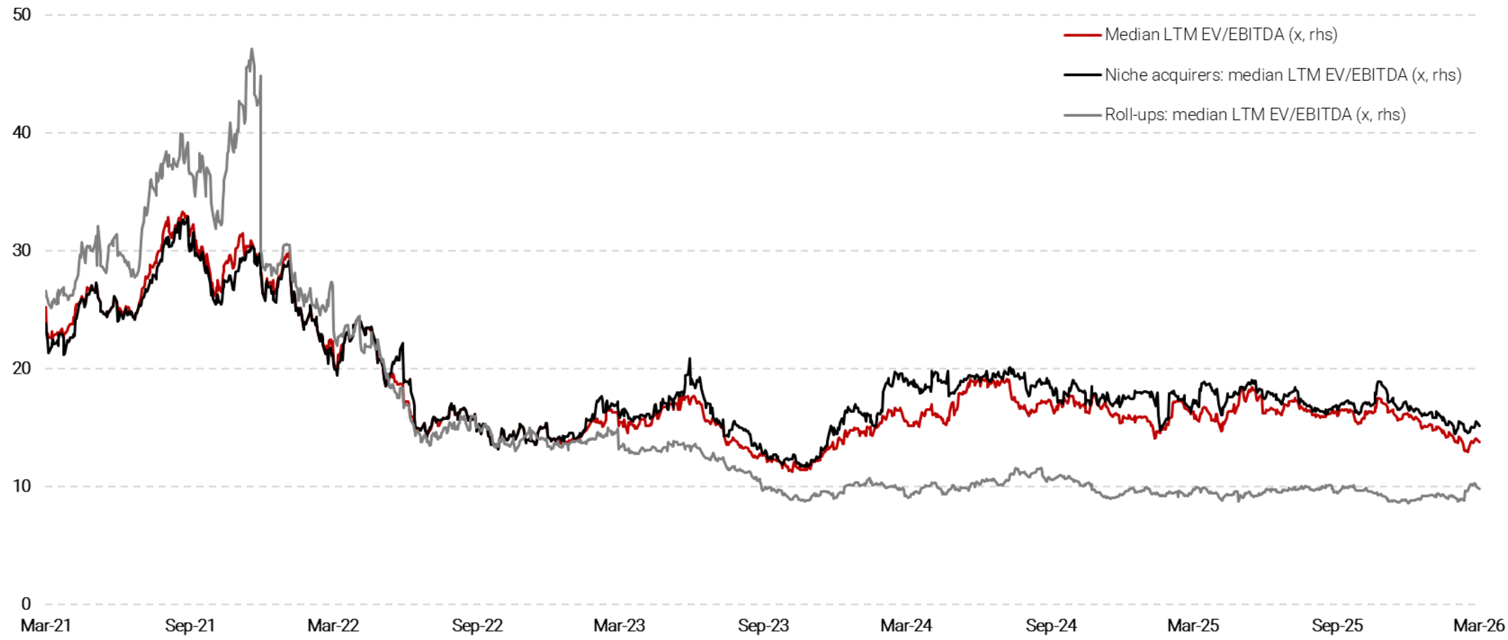
The niche acquirers and roll-ups in our index now trade at median EV/EBITA multiples of c17-15x and c10-8x on 2026e-2027e estimates. Niche acquirers in our index trade at median P/E multiples of c27-25x for 2026e-2027e, while roll-ups trade at median multiples of c14-11x. Note that most underlying estimates do not include future M&A projections. Many of the highest-quality niche acquirers continue to trade at 2026e EV/EBITAs of c20-25x (moderate for our taste, creating opportunities in a long-term perspective).

Serial acquirers: EV/EBITDA multiples over time

On the next page, we provide an overview of the current and historical valuation multiples for niche acquirers and roll-ups (FactSet). While we believe that net income and EBITA are the best measures to compare different serial acquirers, historical EBITA data is often hard to access, choppy, or incomplete. Therefore, we use EV/EBITA and P/E to compare serial acquirers' current valuations, but EV/EBITDA and P/E multiples to illustrate the valuations they traded at over time. Notably, we believe the most important thing is to track valuation metrics over time, with the specific metric(s) used constituting a secondary issue.

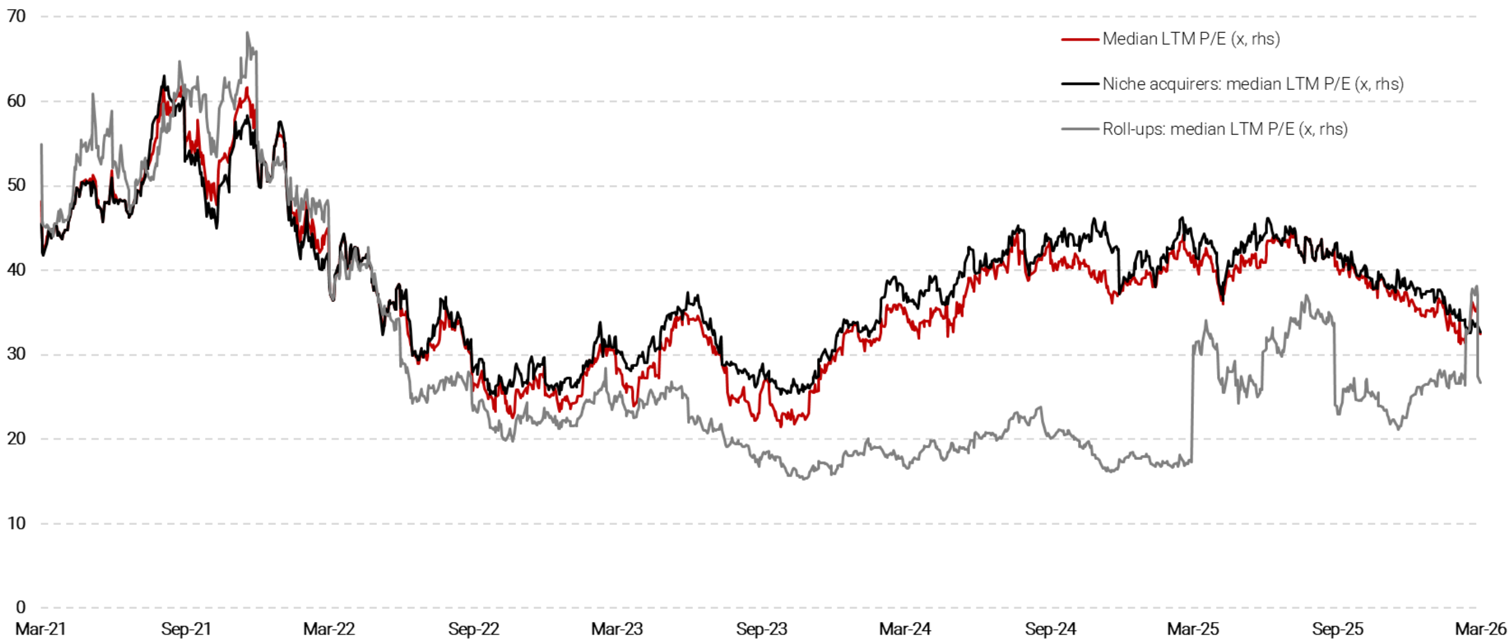
Readers might note that roll-ups have started trading at significantly lower multiples than niche acquirers in recent years. Considering roll-ups' tendency to sport structurally lower returns on invested capital and greater cyclicality, we judge Mr Market is directionally right. Fasadgruppen's steep LTM net profit decline, which recently dropped into negative territory, heavily affects roll-ups' P/E multiples in 2025, as we have only four constituents in this category.

LTM EV/EBITDA: Niche acquirers versus roll-ups over time



Source: FactSet (historical figures, retrieved 02 March 2026), Redeye Research (graph structuring)

LTM P/E: Niche acquirers versus roll-ups over time



Source: FactSet (historical figures, retrieved 02 March 2026), Redeye Research (graph structuring)

Peer table: Redeye SA index

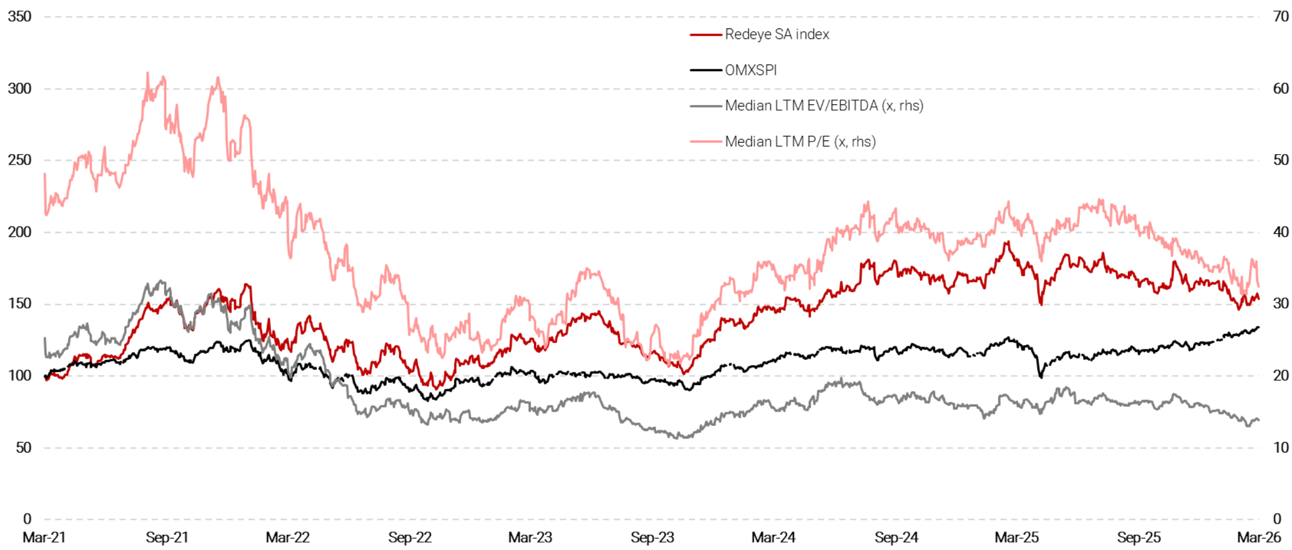
Niche acquirers	EV (SEKm)	EV/Sales			EV/EBITA			Sales growth			EBITA margin			P/E		
Company	2025e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e
Lifco	153 049	5,4	5,0	4,6	24,3	22,3	20,4	8%	6%	6%	22%	23%	23%	38,9	35,7	32,2
Indutrade	90 268	2,8	2,7	2,4	20,1	18,3	16,6	-1%	4%	6%	14%	14%	15%	32,5	28,1	25,0
Addtech	94 550	4,1	3,7	3,4	26,6	23,7	21,5	5%	9%	7%	16%	16%	16%	42,0	36,4	32,5
Lagercrantz	49 326	4,7	4,3	3,9	26,2	23,3	21,3	13%	8%	6%	18%	18%	19%	38,6	34,0	31,3
Röko	25 326	3,9	3,6	3,3	18,9	17,3	15,7	4%	6%	8%	21%	21%	21%	29,0	25,9	25,0
Addlife	22 351	2,1	2,0	1,8	16,4	16,2	14,5	2%	3%	6%	13%	12%	13%	32,8	32,7	27,0
OEM International	17 395	3,3	3,0	2,8	21,9	19,9	18,0	1%	7%	6%	15%	15%	16%	30,6	27,6	25,2
Vitec	12 180	3,3	3,0	2,8	12,2	10,9	9,4	10%	8%	6%	27%	28%	29%	21,7	18,2	15,7
Addnode	12 057	2,1	1,9	1,7	13,3	11,1	10,0	-25%	7%	5%	16%	17%	17%	24,5	20,5	17,7
Beijer Alma	17 047	2,2	2,1	1,9	14,6	13,2	12,1	8%	4%	4%	15%	16%	16%	25,5	18,7	17,2
Sdiptech	11 169	2,1	2,1	1,9	11,0	10,1	9,0	0%	-4%	5%	20%	21%	21%	neg	15,6	13,2
Volati	9 468	1,1	1,1	1,0	12,9	10,7	9,4	7%	8%	4%	9%	10%	11%	28,8	16,4	14,2
Bergman & Beving	9 887	2,0	1,9	1,8	18,4	16,7	15,2	-1%	3%	4%	11%	11%	12%	36,8	28,4	24,9
Momentum Group	6 936	2,2	2,0	1,8	20,6	18,2	15,9	8%	7%	8%	11%	11%	12%	32,8	28,5	25,0
MedCap	7 603	3,6	3,2	2,9	20,0	16,7	14,5	17%	9%	6%	18%	19%	20%	33,2	26,4	23,7
Idun Industrier	4 818	2,1	1,9	1,8	18,4	16,3	15,0	4%	11%	4%	14%	14%	15%	21,9	20,6	19,7
Mean	**33 964**	**2,9**	**2,7**	**2,5**	**18,5**	**16,5**	**14,9**	**4%**	**6%**	**6%**	**16%**	**17%**	**17%**	**31,3**	**25,9**	**23,1**
Median	**14 614**	**2,5**	**2,4**	**2,2**	**18,7**	**16,7**	**15,1**	**5%**	**7%**	**6%**	**15%**	**16%**	**16%**	**32,5**	**27,0**	**24,9**

Roll-ups	EV (SEKm)	EV/Sales			EV/EBITA			Sales growth			EBITA margin			P/E		
Company	2025e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e	2025e	2026e	2027e
Instalco	12 612	0,9	0,9	0,8	15,2	12,3	10,2	-1%	5%	7%	6%	7%	8%	26,4	16,5	13,2
NCAB	10 940	2,9	2,6	2,4	27,4	21,1	18,3	4%	11%	6%	11%	12%	13%	49,0	33,2	27,8
Green Landscaping	4 583	0,7	0,6	0,6	10,3	7,7	6,7	-2%	8%	4%	7%	8%	8%	18,7	11,2	9,2
Fasadgruppen	4 455	0,8	0,7	0,6	10,0	7,1	5,9	11%	0%	4%	8%	10%	10%	neg	4,1	3,4
Average	**8 147**	**1,4**	**1,2**	**1,1**	**15,7**	**12,0**	**10,3**	**3%**	**6%**	**5%**	**8%**	**9%**	**10%**	**31,4**	**16,2**	**13,4**
Median	**7 762**	**0,9**	**0,8**	**0,7**	**12,8**	**10,0**	**8,5**	**1%**	**6%**	**5%**	**8%**	**9%**	**9%**	**26,4**	**13,9**	**11,2**

Source: FactSet (consensus forecasts, retrieved 02 March 2026), Redeye Research (table structuring)

The Redeye SA index is an equal-weighted price index of companies in the above peer table. LTM, this index is down c15%, underperforming the broader OMXSPI index, which is up c8% (base: 28 February 2025). Over the past five years (base 02 March 2021), the Redeye SA index has risen by c54%. In contrast, OMXSPI posted a c34% increase over the same period. The Redeye SA index's LTM EV/EBITDA multiple expanded from, on average, c23-24x in early 2021 to a peak of c33x in H2 2021. However, its median EV/LTM EBITDA multiple has since dropped to c16x (recent bottom: c11x in Q4 2023). P/E increased faster than EV/EBITDA in recent years (current median: c38x and Q4 2023 bottom: c22x), though this trend has started reversing after recent years' interest rate cuts. Note that the Redeye SA index is not an exhaustive list of Swedish/Nordic serial acquirers, and its constituents may change in the future.

Redeye SA index: Price development and EV/EBITDA and P/E multiples over time



02 March 2021 = 100 for both indexes

Source: FactSet (historical figures, retrieved 02 March 2026), Redeye Research (graph structuring)

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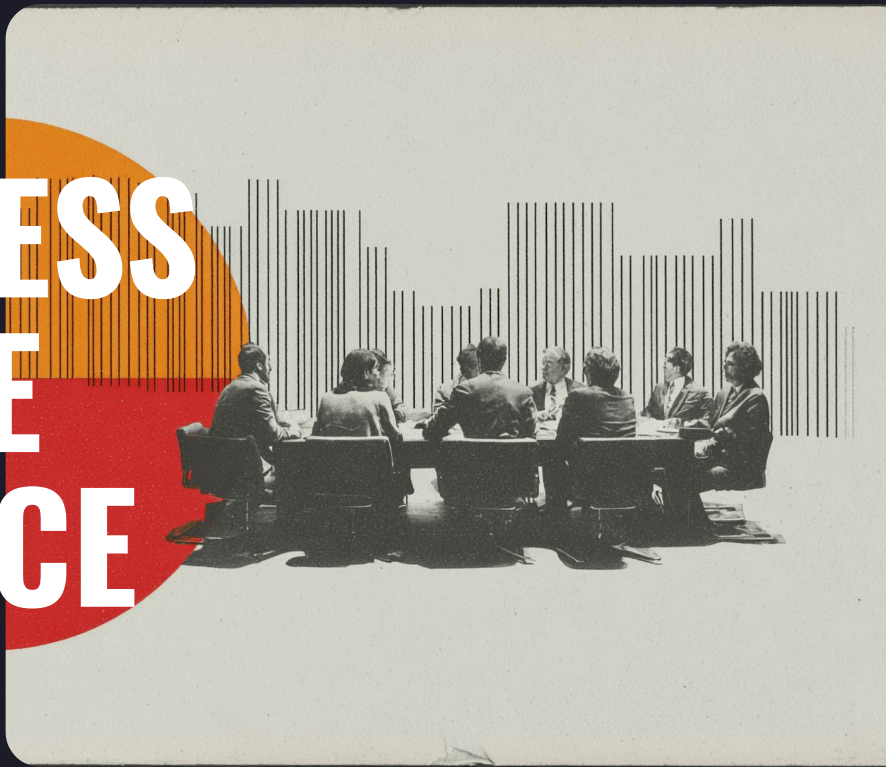

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Appendix – Redeye Serial Acquirers Conference 2026

Redeye's fifth Serial Acquirers Conference in Stockholm takes place on the 12-13 March 2026. Over the years, our conference has become a premier gathering for qualified investors and operators from around the world. We are excited to bring together a strong line-up once again, with 34 companies participating on stage in 2026. Find the schedule below:

Redeye SA Conference 2026: Schedule 12-13 March 2026

	12 March		13 March
08.25	Intro by Redeye + REQ about 'The Compounders'	08.15	Fireside Chat – Will Thorndike & Chris Mayer
08.40	Tasmea Limited	08.45	Omda
09.00	Bergman & Beving	09.05	GENDA
09.10	Volati	09.25	Novedo
09.20	Sdiptech	09.45	Dacke Industri
09.30	Panel discussion: Bergman & Beving, Volati & Sdiptech	10.05	*Break*
09.55	*Break*	10.35	Pinecone
10.25	AddLife	10.47	Hasko Invest
10.35	MedCap	10.59	Strada Partners
10.45	Panel discussion: AddLife & MedCap	11.11	Panel discussion: Pinecone, Hasko Invest & Strada Partners
11.05	Idun Industrier	11.31	Relais Group
11.15	Röko	11.51	Kelly Partners
11.25	Storskogen	12.11	*Lunch*
11.35	Panel discussion: Idun Industrier, Röko & Storskogen	13.20	Shop Circle
12.00	*Lunch*	13.32	Marathon Software
13.15	Addnode Group	13.44	TBD
13.25	CHAPTERS Group	13.56	Panel discussion: Shop Circle, Marathon Software
13.35	Vitec Software	14.16	NGTG
13.45	Panel discussion: Addnode Group, CHAPTERS Group & Vitec Software	14.36	Berner Industrier
14.10	Momentum Group	14.56	Boreo
14.20	Green Landscaping	15.16	*Break*
14.30	Karnell Group	15.56	Evergreen Services Group
14.40	Panel discussion: Momentum Group, Green Landscaping & Karnell Group	16.08	Wiit
15.05	*Break*	16.20	SYS-DAT Group
15.45	Addtech	16.32	Panel discussion: Evergreen Services Group, Wiit & SYS-DAT Group
15.55	Lagercrantz Group	16.52	*The End*
16.05	Diploma		
16.15	Panel discussion: Addtech, Diploma & Lagercrantz Group		
16.40	Investor Panel		
17.00	*The End*		

Source: Redeye Research

We facilitate group meetings between investors and operators on a best-effort basis. Included in your ticket are lunch, fika, and AW for both days.

Questions? Contact events@redeye.se

Appendix – FX-neutral organic and acquired growth

Redeye SA index: Quarterly FX-neutral organic net sales growth in calendar Q1 2017-Q4 2025 (%)

Organic growth (FX neutral)	2017				2018				2019				2020				2021				2022				2023				2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Lifco	8%	-6%	1%	6%	-1%	10%	6%	10%	12%	4%	5%	-2%	-2%	-18%	0%	-2%	2%	34%	8%	20%	14%	12%	10%	10%	8%	-1%	-1%	-5%	-8%	0%	2%	4%	8%	0%	5%	4%
Indutrade	7%	3%	7%	5%	0%	6%	3%	7%	6%	-1%	3%	0%	3%	-5%	0%	3%	3%	16%	8%	6%	12%	10%	14%	13%	13%	7%	3%	0%	-6%	1%	0%	2%	0%	-4%	-1%	0%
Addtech	10%	4%	9%	6%	1%	9%	5%	9%	22%	12%	17%	5%	-1%	-7%	-10%	-3%	-10%	11%	10%	13%	24%	17%	19%	14%	21%	7%	1%	1%	-7%	2%	2%	3%	2%	1%	5%	0%
Lagercrantz	0%	-9%	2%	0%	0%	6%	6%	7%	9%	3%	0%	0%	-2%	-7%	-5%	-1%	-3%	18%	13%	14%	20%	9%	11%	10%	9%	6%	-1%	-2%	-6%	-3%	1%	3%	5%	3%	1%	2%
Röko																					9%	8%	11%	7%	-2%	-4%	-3%	-1%	2%	1%	2%	3%	2%	3%	2%	0%
OEM	12%	6%	10%	9%	10%	10%	11%	3%	8%	3%	0%	1%	2%	-10%	0%	7%	7%	30%	19%	16%	12%	12%	16%	12%	15%	2%	-3%	-2%	-5%	-1%	0%	2%	3%	2%	6%	1%
Addlife	12%	3%	9%	0%	-4%	3%	4%	-3%	4%	2%	4%	8%	12%	39%	48%	51%	54%	22%	-5%	-12%	-6%	-24%	-7%	3%	-9%	7%	2%	6%	4%	7%	3%	9%	4%	3%	6%	1%
Vitec																							5%	7%			8%	9%			8%	10%			-2%	0%
Addnode	11%	6%	-1%	3%	2%	5%	12%	0%	5%	13%	8%	4%	9%	-12%	-7%	-9%	-14%	14%	7%	12%	7%	11%	23%	13%	19%	-3%	-9%	-2%	0%	11%	16%	11%	3%	34%	-4%	-4%
Sdiptech									-1%	0%	1%	3%	1%	-2%	8%	8%	4%	16%	4%	13%	7%	-2%	-6%	2%	15%	15%	20%	20%	10%	9%	1%	-6%	-4%	-4%	5%	6%
Beijer Alma	14%	14%	4%	7%	4%	10%	10%	3%	-1%	-2%	2%	-9%	-5%	-27%	-13%	1%	8%	37%	23%	16%	13%	3%	3%	-2%	0%	3%	-5%	13%	3%	2%	1%	3%	4%	3%	7%	2%
Volati																				17%	11%	6%	2%	-3%	1%	-2%	-10%	-9%	-15%	-11%	-2%	3%	4%	-1%	1%	-5%
Bergman & Beving		-9%	-5%	-5%	-5%	-3%	-3%	-1%	-1%	-6%	-1%	-8%	2%	3%	4%	12%	2%	-4%	4%	1%	1%	-4%	-4%	-3%	-6%	-8%	-7%	-12%	-12%	-7%	-3%	-5%	0%	-3%	-4%	4%
Momentum Group																					11%	8%	8%	11%	10%	7%	8%	6%	5%	1%	3%	1%	-1%	-2%	-4%	-2%
MedCap																						19%	14%	22%	23%	13%	20%	10%	12%	8%	5%	-2%	0%	6%	9%	10%
Idun Industrier											2%	3%	-4%	-10%	-5%	-5%	11%	32%	13%	20%	7%	6%	14%	11%	7%	4%	-1%	-12%	-1%	0%	3%	4%	3%	0%	-2%	
Instalco									6%	3%	15%	6%	11%	2%	-3%	8%	-1%	12%	2%	7%	8%	6%	8%	11%	13%	6%	3%	-3%	-8%	-6%	-5%	-7%	0%	-3%	-3%	5%
NCAB									3%	0%	-7%	-5%	-6%	-6%	0%	5%	18%	33%	50%	55%	42%	15%	-2%	-16%	-12%	-19%	-28%	-22%	-24%	-15%	-8%	-11%	-8%	3%	8%	21%
Green Landscaping					27%	11%	8%	3%	13%	-1%	5%	-7%	-21%	-3%	1%	-1%	33%	3%	5%	12%	4%	3%	10%	14%	12%	4%	0%	-6%	8%	5%	3%	-6%	-18%	-9%	-3%	-5%
Fasadgruppen																-12%	-9%	10%	3%	16%	2%	3%	14%	19%	24%	0%	-2%	-2%	-12%	-4%	-10%	-16%	-10%	-6%	2%	5%
Mean	**9%**	**1%**	**4%**	**3%**	**4%**	**7%**	**6%**	**4%**	**6%**	**2%**	**4%**	**0%**	**0%**	**-4%**	**1%**	**4%**	**7%**	**19%**	**11%**	**14%**	**11%**	**6%**	**8%**	**8%**	**8%**	**2%**	**0%**	**-1%**	**-3%**	**0%**	**1%**	**0%**	**0%**	**1%**	**2%**	**2%**
Median	**11%**	**3%**	**4%**	**5%**	**1%**	**8%**	**6%**	**3%**	**6%**	**2%**	**3%**	**1%**	**0%**	**-7%**	**0%**	**1%**	**3%**	**16%**	**8%**	**14%**	**10%**	**8%**	**10%**	**10%**	**10%**	**4%**	**-1%**	**-2%**	**-5%**	**1%**	**1%**	**3%**	**2%**	**0%**	**2%**	**1%**
25th percentile	7%	-6%	1%	0%	0%	5%	4%	1%	3%	-1%	0%	-4%	-3%	-10%	-5%	-3%	-2%	12%	4%	11%	7%	3%	3%	3%	0%	-2%	-4%	-5%	-8%	-4%	0%	-5%	0%	-3%	-2%	0%
75th percentile	12%	6%	9%	6%	4%	10%	10%	7%	9%	3%	5%	4%	3%	-2%	0%	7%	9%	31%	13%	16%	13%	12%	14%	13%	15%	7%	3%	6%	3%	4%	3%	3%	3%	3%	5%	4%
Lowest	0%	-9%	-5%	-5%	-5%	-3%	-3%	-3%	-1%	-6%	-7%	-9%	-21%	-27%	-13%	-12%	-14%	-4%	-5%	-12%	-6%	-24%	-7%	-16%	-12%	-19%	-28%	-22%	-24%	-15%	-10%	-16%	-18%	-9%	-4%	-5%
Highest	14%	14%	10%	9%	27%	11%	12%	10%	22%	13%	17%	8%	12%	39%	48%	51%	54%	37%	50%	55%	42%	19%	23%	22%	24%	15%	20%	20%	12%	11%	16%	11%	8%	34%	9%	21%

Note: Excluding Vitec as the company does not disclose organic and acquired growth on a quarterly basis; organic growth excluding FX effects if disclosed; Beijer Alma includes Redeye estimates until Q4 2020 due to lacking disclosure

Source: Company filings (financial figures), Redeye Research (graph structuring)

Redeye SA index: Quarterly acquired net sales growth in calendar Q1 2017-Q4 2025 (%)

Acquired growth	2017				2018				2019				2020				2021				2022				2023				2024				2025			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Lifco	9%	6%	10%	10%	10%	11%	8%	7%	9%	8%	8%	8%	9%	6%	7%	6%	7%	15%	16%	15%	12%	6%	5%	5%	7%	9%	11%	10%	8%	8%	8%	6%	7%	7%	8%	7%
Indutrade	11%	8%	8%	8%	8%	7%	4%	2%	3%	3%	7%	7%	9%	6%	3%	4%	4%	7%	7%	7%	8%	7%	8%	7%	9%	8%	7%	6%	2%	3%	4%	4%	4%	3%	2%	3%
Addtech	7%	6%	5%	6%	7%	8%	15%	14%	10%	9%	7%	6%	7%	4%	6%	8%	9%	8%	10%	11%	7%	13%	13%	11%	11%	5%	5%	4%	4%	4%	5%	8%	10%	10%	4%	4%
Lagercrantz	4%	9%	11%	12%	13%	11%	5%	5%	2%	4%	6%	7%	4%	3%	2%	2%	7%	18%	19%	16%	17%	11%	23%	24%	17%	19%	9%	7%	11%	13%	17%	16%	11%	10%	14%	18%
Röko																					165%	99%	71%	76%	55%	39%	13%	16%	9%	6%	8%	9%	6%	5%	7%	7%
OEM	3%	5%	8%	5%	4%	2%	0%	1%	1%	1%	1%	0%	1%	1%	1%	1%	0%	0%	0%	0%	7%	6%	7%	6%	0%	0%	0%	2%	3%	4%	3%	2%	0%	2%	2%	2%
Addlife	14%	17%	18%	10%	6%	3%	3%	3%	35%	32%	34%	35%	13%	13%	12%	29%	17%	63%	54%	35%	51%	13%	16%	0%	0%	0%	0%	0%	0%	0%	1%	1%	1%	2%	1%	1%
Vitec																							24%	26%			26%	17%			10%	15%			10%	9%
Addnode	4%	5%	15%	15%	17%	17%	9%	8%	8%	6%	11%	5%	34%	11%	13%	11%	1%	5%	7%	8%	17%	35%	48%	42%	27%	3%	16%	17%	21%	17%	1%	1%	2%	1%	6%	16%
Sdiptech									26%	19%	21%	19%	14%	9%	11%	13%	35%	27%	21%	13%	8%	27%	37%	30%	24%	17%	10%	10%	12%	9%	8%	7%	7%	4%	9%	5%
Beijer Alma	3%	4%	2%	3%	1%	1%	1%	1%	1%	4%	8%	9%	9%	6%	3%	5%	2%	6%	12%	15%	16%	26%	28%	15%	12%	16%	10%	9%	4%	2%	1%	3%	5%	8%	8%	7%
Volati																				18%	21%	26%	14%	13%	12%	5%	2%	3%	8%	8%	7%	8%	11%	8%	9%	8%
Bergman & Beving			5%	0%	2%	2%	2%	3%	3%	4%	6%	6%	9%	7%	4%	3%	3%	4%	5%	4%	4%	3%	7%	7%	8%	9%	7%	8%	10%	9%	9%	11%	9%	11%	5%	-1%
Momentum Group																					1%	6%	8%	12%	13%	17%	39%	31%	29%	38%	15%	12%	12%	10%	12%	10%
MedCap																						1%	2%	0%	21%	21%	28%	31%	9%	10%	10%	6%	7%	10%	14%	17%
Idun Industrier											16%	16%	11%	6%	0%	0%	22%	44%	70%	71%	53%	40%	29%	24%	15%	31%	24%	23%	23%	0%	0%	0%	1%	2%	7%	
Instalco									19%	17%	27%	25%	27%	23%	21%	20%	18%	22%	19%	20%	25%	25%	30%	23%	14%	18%	15%	11%	10%	2%	2%	1%	1%	0%	1%	1%
NCAB									2%	4%	4%	5%	9%	26%	31%	28%	26%	16%	16%	33%	25%	12%	12%	3%	2%	8%	13%	9%	7%	3%	1%	5%	6%	7%	8%	4%
Green Landscaping					54%	55%	11%	39%	97%	68%	79%	42%	2%	6%	12%	30%	45%	41%	33%	33%	27%	40%	42%	58%	33%	27%	23%	10%	4%	6%	10%	11%	7%	8%	7%	9%
Fasadgruppen																58%	73%	98%	112%	88%	66%	76%	55%	42%	30%	8%	5%	3%	3%	4%	7%	14%	23%	18%	15%	4%
Mean	**7%**	**8%**	**9%**	**8%**	**12%**	**12%**	**6%**	**8%**	**17%**	**14%**	**17%**	**13%**	**11%**	**9%**	**9%**	**14%**	**18%**	**25%**	**27%**	**24%**	**29%**	**25%**	**24%**	**21%**	**16%**	**14%**	**13%**	**11%**	**9%**	**8%**	**6%**	**7%**	**7%**	**7%**	**7%**	**7%**
Median	**6%**	**6%**	**8%**	**8%**	**8%**	**8%**	**5%**	**4%**	**8%**	**6%**	**8%**	**8%**	**9%**	**6%**	**6%**	**8%**	**9%**	**16%**	**16%**	**16%**	**17%**	**13%**	**20%**	**14%**	**13%**	**9%**	**11%**	**9%**	**8%**	**6%**	**7%**	**7%**	**7%**	**7%**	**7%**	**7%**
25th percentile	4%	5%	5%	5%	5%	2%	2%	2%	2%	4%	6%	6%	7%	6%	3%	4%	4%	7%	8%	10%	8%	7%	8%	7%	9%	7%	6%	6%	4%	3%	1%	3%	3%	3%	5%	3%
75th percentile	9%	8%	11%	10%	12%	11%	9%	8%	19%	17%	20%	18%	12%	11%	12%	24%	24%	34%	27%	33%	26%	31%	32%	27%	23%	18%	18%	16%	10%	9%	9%	11%	10%	10%	9%	9%
Lowest	3%	4%	2%	0%	1%	1%	0%	1%	1%	1%	1%	0%	1%	1%	0%	0%	0%	0%	0%	0%	1%	1%	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	-1%
Highest	14%	17%	18%	15%	54%	55%	15%	39%	97%	68%	79%	42%	34%	26%	31%	58%	73%	98%	112%	88%	165%	99%	71%	76%	55%	39%	39%	31%	29%	38%	17%	16%	23%	18%	15%	18%

Note: Excluding Vitec as the company does not disclose organic and acquired growth on a quarterly basis; acquired growth net of divestments; Beijer Alma includes Redeye estimates until Q4 2020 due to lacking disclosure

Source: Company filings (financial figures), Redeye Research (graph structuring)

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Disclaimer

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CONFLICT OF INTERESTS

Stefan Knutsson owns shares in Vitec and Bonesupport

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